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OTTAWA, 1953

HOUSE OF COMMONS

Tuesday, June 17, 1952

The house met at eleven o'clock.

MEMBERS OF PARLIAMENT

PROPOSAL FOR LONG SERVICE PENSION PLAN FOR MEMBERS

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, I should like to take the rather unusual course of giving notice orally of a motion I propose to have placed on the order paper in my name. The motion reads as follows:

That the subject of a pension plan for members of parliament after long service based on contributions by all members be referred to the standing committee on banking and commerce.

From time to time over the last few years the question of making some contributory pension provision for members of parliament has been discussed among members of all parties. It was felt that a pension plan would be in the public interest if it removed, to some degree, the feeling that a long period of service in the House of Commons necessarily prevents many members from making adequate provision for their later years, particularly as there have been conspicuous cases of former members left in a position of great hardship.

A plan suggested by a group of private members is that contributions would be made by all members on the same scale as those required under the Civil Service Superannuation Act. The benefits in this case would be at rates and subject to conditions designed to make and keep the pension plan actuarially sound.

I was approached by a number of members and asked whether the government would be prepared to sponsor such a pension plan. My attitude was that, in a matter which concerned all political parties and the position of parliament generally, I would not be prepared to ask my colleagues to take any initiative unless I was in a position to say that the leaders of all parties opposite felt that the establishment of a long service pension plan was something which was not merely in the present interest of members of parliament themselves, but was also in the public interest, because it would help to make it possible to attract well qualified men and women to parliament, and particularly to encourage those with experience in parliament to remain in public life.

I have consulted the leader of the opposition and the leaders of the C.C.F. group and the Social Credit group and I am authorized by each one of them to state that he considers such a pension plan would be a contribution to the strengthening of our parliamentary institutions.

Since the matter is of equal interest to members of all parties, the government felt that rather than bring in a bill with specific terms it would be preferable to ask the banking and commerce committee to consider the subject matter and to make such recommendations for legislation as commended themselves to the committee after a study of the pension plans already in existence in a number of commonwealth countries and the United States and the plan under discussion by a number of members of this house.

Of course, any bill would have to be preceded by a resolution and the necessary constitutional recommendation to the house from the Governor General; but I can say now that a proposal reasonable in itself and which all parties felt was genuinely in the public interest would not be apt to encounter objections from the government.

Mr. Browne (St. John's West): Would this apply to the Senate as well as the House of Commons?

Mr. St. Laurent: The government is not recommending any specific plan; it is referring the matter to the banking and commerce committee of the House of Commons.

APPROVAL OF REPORT OF CIVIL SERVICE COMMISSION RESPECTING CERTAIN EMPLOYEES

Hon. F. G. Bradley (Secretary of State) moved:

That the report of the civil service commission respecting certain employees of the House of Commons tabled on June 11, 1952, be approved.

Motion agreed to.

PRIVATE BILLS

FIRST READINGS—SENATE BILLS

Bill No. 338, for the relief of Marie Jacqueline Michelle Major Valiquette.—Mr. Winkler.

Bill No. 339, for the relief of May Clara Taylor Di Biasio.—Mr. Winkler.

Bill No. 340, for the relief of Regina Joan Lee Mills.—Mr. Winkler.

Bill No. 341, for the relief of Violette Chartrand Fairon.—Mr. Winkler.

NATO—European Defence Community

Bill No. 342, for the relief of Doreen Elizabeth Lawton Batty.—Mr. Winkler.

Bill No. 343, for the relief of Norma Meldrum Drysdale McGown.—Mr. Winkler.

Bill No. 344, for the relief of Jean Elizabeth Wood Jackson.—Mr. Winkler.

Bill No. 345, for the relief of Louisa Ryan Heke.—Mr. Winkler.

ARMY BENEVOLENT FUND ACT

INCREASE IN RATE OF INTEREST ON MINIMUM MONTHLY BALANCES

Hon. Hugues Lapointe (Minister of Veterans Affairs) moved the second reading of Bill No. 334, to amend the Army Benevolent Fund Act, 1947.

Mr. Brooks: Will this bill go to the special committee on veterans affairs?

Mr. Lapointe: Yes, it is the intention to refer it as soon as second reading has taken place.

Motion agreed to, bill read the second time and referred to the special committee on veterans affairs.

NORTH ATLANTIC TREATY

EUROPEAN DEFENCE COMMUNITY—APPROVAL OF PROTOCOL

Hon. L. B. Pearson (Secretary of State for External Affairs) moved:

That it is expedient that the houses of parliament do approve the protocol to the North Atlantic treaty, signed at Paris on May 27, 1952, extending the guarantees of article 5 of the treaty to the European defence community, and that this house do approve the same.

He said: Mr. Speaker, as I reported to the house on May 27, representatives of the member countries of the North Atlantic Treaty Organization signed on that day in Paris a protocol which extended to the newly formed European defence community the guarantees under article 5 of the North Atlantic treaty. It is this protocol which is of immediate concern to us today and for which I am to ask the approval of parliament. I submit that possibly no more important subject will be discussed by the house during this session than the one which we are considering today. The protocol has already appeared as an appendix to *Hansard* and I am sure all hon. members are familiar with it. Article I of the protocol reads as follows:

An armed attack (i) on the territory of any of the members of the European defence community in Europe or in the area described in article 6 (i) of the North Atlantic treaty, or (ii) on the forces, vessels or aircraft of the European defence community when in the area described in article 6 (ii) of the said treaty, shall be considered an attack against all the parties to the North Atlantic treaty, within the meaning of article 5 of the said treaty, and article 5 shall apply accordingly.

Article II of the protocol reads as follows:

The present protocol shall enter into force as soon as each of the parties has notified the government of the United States of America of its acceptance and the council of the European defence community has notified the North Atlantic council of the entry into force of the treaty setting up the European defence community . . .

At the beginning I should like to emphasize that whatever action is taken by the government in respect of ratification of this protocol, the protocol does not come into effect until it is ratified by all the members of the North Atlantic Treaty Organization. Therefore even if action were taken at an early date by the government of Canada the protocol itself would not be effective until it had been ratified by all the members and until the European defence community treaty was also in effect.

The reason that we are asking for consideration of this matter now at the end of this session is to make sure that, if the protocol commends itself to the house, we will not be in the position of holding up its coming into effect. I believe that if the protocol commends itself to parliament and if the government decides to ratify it, it might be desirable to postpone the deposit of our ratification for a time until we see how other governments, possibly even more immediately concerned than we are, act with regard to it.

It is true that the acceptance and the coming into effect of this protocol do extend the obligations which Canada has undertaken under the North Atlantic treaty to the Federal Republic of Germany. That of course is a very important development indeed. As hon. members know, the proposed European defence community includes only one member which is not already a signatory to the North Atlantic treaty, and that is the Federal Republic of Germany. But though the protocol does represent an extension of our obligations, I suggest that the extension is more theoretical than real because in the North Atlantic treaty there is an article, article 6, which provides that the guarantee of mutual assistance shall come into effect when an armed attack is made on the forces, the vessels or the aircraft of any of the parties when in or over these territories or any other area in Europe in which occupation forces of any of the parties were stationed on the date when the treaty came into effect.

That means that we are already under obligation to come to the assistance of the NATO forces stationed in Western Germany. If this protocol comes into effect it will extend that obligation from an attack on forces of occupation in Germany to an attack on

Western Germany itself. It is a further step, and I think a valuable step, in the development and the reaffirmation of collective security and collective action which is the best preventive of war in the present circumstances. I think the hon. members of the house, in view of the importance of this matter, would wish me to set this protocol and its implications, especially its implications for Canada, in the wider framework of a statement which I shall keep as short as possible on the European situation with special reference to Germany.

It is, I am sure, clear to all of us that over the continent of Europe today hangs the threat of aggression the driving force of which is a compound of Russian imperialism and communist ideology. Even with that threat facing us, it is not easy to banish memories of the appalling results of German armed might in the service of a totalitarian regime. There are few European countries today in which the material and spiritual wounds of the second world war have had time to heal completely.

National economies, which with the help of the Marshall plan and other assistance have been gradually returning to something like normal conditions after the destruction of war, have had once more to shoulder the added burden of large-scale rearmament. It is heartening, therefore, Mr. Speaker, to see that in spite of these trials of the body and spirit men have been found who realize that the battles of the past should not determine the policy of the future and who realize also the urgent necessity of uniting Europe—of uniting Europe for peace on the only basis on which this can be done.

I need hardly remind the house that in any scheme for European integration the position of Germany is of central importance. This is abundantly evident from the efforts which have been made and are still being made by the western nations to secure the support—and by the Soviet bloc to secure the submission—of the Germans. Germany lies in the very heart of Europe and it is not surprising that western policy in general, and indeed United States policy in particular, regards German participation as essential to the effective defence of Europe. This I suggest should be the easier now that the long feud between France and Germany has lost much of its reality in a world where the important divisions are no longer inter-European—and the old-fashioned balance of power concepts are based on larger than national considerations.

So, the nations of Europe which are still free to choose—and they are not all free to choose—are realizing, in spite of neutralist sentiment in certain countries and certain quarters, how important it is for their survival that they unite as Europeans in the face of this common menace and common danger. This process of European integration seems often painfully slow to those of us who watch it from across the Atlantic ocean. To the Europeans themselves I often suspect it must seem immoderately hasty.

It is not my purpose to recount all of the steps taken in recent years toward the unification of Europe. They are well known to all of us but it is perhaps not always realized that there have been so many. Because the urgent necessity of avoiding a third world war has filled the minds of free men, particularly in North America, we have underestimated the enormous strides which have been taken in the last few years towards the solution of complex European problems, many of which have persisted throughout generations.

This progress has been made in spite of deep-rooted, understandable nationalist feelings and traditions and serious political difficulties such as the legitimate desire of some nations to retain their economic and political association with countries outside Europe. It follows, I think, from these considerations that the integration of Europe will be a gradual process achieved through the creation of supranational authorities with limited but definite powers in certain specific fields—such as the coal and steel authority under the Schuman plan and the Benelux convention. This functional approach has proved to be more acceptable to the nations concerned than the theoretical approach of those who want to establish a formal federation at once. European unity then, I suggest, must grow and not be imposed. It must be a voluntary and constructive union—not anything like a shotgun marriage.

The European defence community treaty by associating the Federal Republic of Germany with the defence of Europe is one far-reaching step toward this more closely integrated Europe. The E.D.C. treaty, like the Schuman plan, is the result of a bold idea for the solution of a major European problem—the return of Germany to the community of free and democratic nations. It takes its place in a complex of agreements all of which show this same trend toward Europeans coming together.

As so often in the past, it was on this occasion the keen and imaginative political intelligence of the French leaders which gave birth to many of the ideas which have helped to create this more closely united Europe.

Nobody would deny that at the present time the necessities of defence and economic recovery are the most compelling incentives toward this unity; but beyond the community of interests in military and economic matters there are amongst these free European states a common culture and common traditions which cannot be overlooked by a group of nations for which individual and moral values are at least as important as material ones.

Germany then as I see it is the key to the solution of these European problems. Because of her geographical location and the size and the industry of her population, Germany—even a divided Germany—is likely to be a vital factor for better or for worse in European politics for many years to come. The events of a few weeks ago in Paris and Bonn, and the repercussion of these events in points as far distant as Berlin and Tokyo, have outlined the importance which the communist world attaches to what is often referred to in the press and elsewhere as the struggle for Germany. Two blows in that struggle were struck for the west in Bonn and Paris on May 26 and May 27 last.

The first of these blows was the signing on May 26 in Bonn by the foreign ministers of the United Kingdom, the United States and France on the one hand, and by the chancellor of the Federal Republic of Germany on the other, of an agreement which comprised a convention on relations between the three powers and the Federal Republic of Germany, three related conventions and a number of accompanying instruments.

Hon. members will, I am sure, agree that it is not necessary for me to explain in detail all these various documents, some of which are highly technical and all of which have now been made public. But I would like to say a few things on the convention and the general rules which we know familiarly as the peace contract with the Federal Republic of Germany.

These contractual agreements which were freely negotiated and not imposed replace the occupation statute; they abolish the allied high commission, and they bring the Federal Republic of Germany into the family of free nations. They provide for the stationing of foreign forces in Germany to assist in the defence of the west and for the reservation by the former occupying powers of their rights in Berlin and over matters affecting Germany as a whole, in particular the problems of unification and the eventual peace treaty which of course are not solved by this peace contract. These restrictions on the complete freedom of the Federal Republic of Germany were made necessary by the peculiar nature of the problem of according to the federal republic rights over its external and domestic affairs while preserving the means of conducting negotiations with the Soviet union on German unification and on the final peace settlement. Article 4, section 4, of the peace contract is important and I would like to read it and one or two of the other more important sections.

Article 4 reads:

> The federal republic will participate in the European defence community in order to contribute to the common defence of the free world.

Article 5 provides for the proclamation by the three western powers of a state of emergency in the federal republic, should the federal republic and the European defence community be unable to deal with the situation which is created by an attack on the federal republic or Berlin, subversion of the liberal democratic basic order, a serious disturbance of public order or a grave threat of any of these events.

Article 7 is very important. Its first section states the agreement of the three powers and the federal republic that the essential aim of their common policy is a peace settlement for the whole of Germany, freely negotiated between Germany and her former enemies. It also defers all frontier questions to an eventual peace settlement. In the light of the recent Soviet notes on unification and a peace treaty, I need hardly underline the capital importance of these declarations. If the intention of this article, which I have just read, is that a unified Germany will have the rights and be bound by the obligations conferred on the federal republic by this agreement and by the European defence community treaty, then this article is in effect the expression of a hope that a unified Germany would continue to throw in its lot with the west.

I am aware that sceptics will point out that in the event of unification and peace treaty discussions, there will be a new partner to any agreement, namely the Soviet union, which would not necessarily—that I know is an understatement—subscribe to the present accords. Moreover, an all-German government would not be the same as the government of the federal republic at the present time and might, therefore, insist that the contractual agreements would have to be re-negotiated. This important possibility, which is very much in our minds, is perhaps foreshadowed by article 10 which provides for the review of the terms of the convention on relations and the related conventions:

> (a) upon the request of any of (the signatory states), in the event of the unification of Germany or the creation of a European federation; or

(b) upon the occurrence of any other event which all of the signatory states recognize to be of a similarly fundamental character.

So much, Mr. Speaker, for the peace contract. The second important event, as I have already indicated, was the signing in Paris on May 27 of the treaty establishing a European defence community. By the provisions of this treaty the governments of France, Italy, Belgium, The Netherlands, Luxembourg and the Federal Republic of Germany have agreed to set up a European army, purely defensive in character, which will be under the operational command of the North Atlantic Treaty Organization commander. Within the framework of the North Atlantic treaty, this new treaty seeks to ensure the security of the states which have signed it. I do not intend today to go into detail about the European defence community arrangements, because I know they will be familiar to most hon. members as they have already been made public.

The signing of these two sets of agreements is, I think, a tribute to the sense of political reality and the spirit of reasonable compromise shown by the statesmen and their expert advisers, who have brought the negotiations to a successful conclusion after many months of difficult and delicate discussions. It would, however, be rash to express any easy optimism on the final results, merely because these arrangements have been signed. Both the agreements I have mentioned will have to be ratified by the governments whose representatives signed them, and the road to ratification may not be a short or an easy one. There is as yet no European army except on paper, and there are stiff political struggles ahead both on the international plane and within the countries which are members of the European defence community, before these arrangements will be of any effect on the international plane. The activities of the Soviet union and its communist agents in other countries on the subject of Germany and the recent agreements bear witness by their scope and violence to the growing strength of western defence, and the impression this strength and unity has already made, as well as to the vital importance which the Soviet union attaches to the coming into effect of these arrangements.

There has been, as hon. members know, a lively exchange of diplomatic notes between the Soviet government and the governments of the United States, the United Kingdom and France. In their first note on March 10 of this year, the Russians put forward a draft peace treaty which was obviously designed to appeal to all shades of opinion in Germany, and to delay the conclusion of the contractual agreements and the European defence community treaty. That latter design, of course, was not achieved. These Russian proposals concerned reunification, the withdrawal of occupying forces, the rehabilitation of ex-nazis —many of whom are now joining the Eastern German army—the abolition of all trade restrictions on Germany, the granting to Germany of national—not international—defence forces, and the granting to Germany of permission to produce armaments on a large scale. In other words, in these Russian proposals there was something for nearly every German. On the other hand, under the same proposals, the reunified Germany was not to be free to enter into alliances, and its territory was not to include the former German territories east of the Oder-Neisse line. Finally, a four-power conference was to meet at once to settle all these questions.

In their replies to these Soviet proposals the three western governments have taken what I think to be the sensible line, that while the door must not be shut on negotiations with the Soviet union on this matter, there can be no question of a four-power conference—of which the allies already have had some unhappy experiences—until the Soviet proposals have been subjected to searching inquiry and until their real meaning can be ascertained. With this in mind the three governments have concentrated, in dealing with this problem, on the basic question of free elections throughout Germany, and the consequent formation of an all-German government, free both before and after the peace treaty to enter into associations compatible with the principles and purposes of the United Nations. The insistence of the three western powers, in dealing with these, and subsequent Russian proposals, has been on unity with freedom and peace with security. I believe that is a sound attitude to adopt.

Nevertheless, no matter how insincere the Soviet proposals may seem to us, they have a dangerous appeal to German nationalism since they appear on the surface to offer a definite program of unification which cannot fail to attract Germans to whom unification, I suppose, stands above almost everything else at the present time. For this reason, I venture to express the hope that too much time will not elapse between the receipt of Soviet notes on Germany and the dispatch of the western replies. The longer the interval, the greater the chances which the Soviet proposals, however specious they are, will have to work on public opinion in Germany and elsewhere. I think it would be unwise—I am sure the house will agree with this statement—and indeed unnecessary to allow the Soviet union to win propaganda

victories in this field. I think the west should also be prepared to counter Soviet offers in a positive way and not spend too much effort on pointing out the hollowness and the insincerity of those offers.

To most Germans the desire for unification goes extremely deep, and it is a desire that is going to be achieved by one means or another. But I believe that more and more Germans will realize that a neutral Germany would be in grave danger of becoming an enlarged East Germany, and that their best hope for an eventual peaceful unification of their country lies in the integration of the federal republic and ultimately of all Germany with the western defence system. This grave step, however—and it is a grave step—may seem to many observers to involve risks and to involve also the protracted division of Germany. There is no doubt that in lining up behind this policy we are taking a calculated risk, to use that somewhat shopworn but still serviceable phrase.

What are the alternatives to it? Should we suspend any consideration of Germany's association with the west? Should we suspend such things as the European defence treaty and this peace contract until a scheme for unification and a peace treaty has been worked out with the Russians and their friends, on the basis they have put forward, which includes a national German army, the pardoning of all nazis, and German neutrality, with all foreign troops withdrawn—the Russian troops presumably to Poland and at least some of the western troops presumably across the Atlantic. Should we support that proposal as an alternative to the proposals which we have before us today? That alternative has commanded some support in circles which are certainly not allied with communism. Quite apart from the danger of a neutral Germany, with complete control of its own forces and rearming in its own way without restriction, and quite apart from the danger of that kind of Germany working with the east, if we followed that course it would also wreck the patient and intelligent work of the North Atlantic countries and the Adenauer government, and it would lay Germany open to uncertainty, confusion and, I suggest, danger.

The policy now proposed frees Germany but includes her in the European system. Her rearmament will be defensive and international; and I hope that both this defensive and this international character of German rearmament will be stressed. I hope also that our policy of rearmament within the European defence community will not be taken to mean that we are going to be inflexible in our approach to the larger and ultimate problem of a unified Germany with a peace treaty to which the U.S.S.R. must subscribe, because inflexibility and negotiation in matters of this kind are incompatible. The western aim has been—and should, I suggest, continue to be—a slackening of world tension followed by a reasoned, calm and firm endeavour to end the cold war. Our hope remains, as it must, that eventually we may enter upon an era of peace for which men everywhere so ardently long; and they include millions of men in the Soviet union itself.

The agreements signed at Bonn and Paris and the western replies to the Soviet notes have shown the Soviet union that the period of fear is over and that the west now stands firm against the encroachments of the police state.

There will be difficulties ahead, especially during the period when ratification is being discussed. But it should not be beyond the capacity of western statesmen to overcome those difficulties. I believe that there is now a real prospect of European integration not merely on a continental basis but within the developing North Atlantic community—a community which is not designed to be exclusive in character or to replace the United Nations but rather to ensure that the magnificent vision of the United Nations is not destroyed from within.

I am not blind—nor do I think any of us are—to the danger of a restored and a rearmed Germany, but I believe that within the European defence community this restoration and this rearmament can be brought to serve not the ends of totalitarian aggression—which it has served in the past—but the ends of peace in Europe and in the world. It is in that hope, Mr. Speaker, that I submit for the approval of this house the North Atlantic treaty protocol which is before us.

Mr. Gordon Graydon (Peel): Mr. Speaker, with what the minister said a few moments ago with respect to the vital importance of the debate in which we are now engaged I am in entire agreement. There have been few issues with which this parliament has had to deal which have required as much study and have given as much anxiety and concern as has this problem of our ratification of the present NATO protocol. It is proper that Canadians should give every possible consideration and study to this matter. In a sense we are at a turning point in history because these agreements, which are of such a complicated and multiple character, have an important bearing upon what happens not only in Europe but in other parts of the world in the days that lie ahead.

I must say that as I am speaking now I have a feeling of heavier responsibility with respect to the position taken in connection with this protocol than I have had on almost

any other occasion on which I have spoken in this House of Commons. This matter cannot be approached from the point of view that we are dealing with an unimportant subject matter. This parliament is the first to make its voice heard not only within the four corners of this chamber but across Canada and the world with respect to this new approach in connection with European peace and stability. Because we are the first to deal with this matter, it becomes of the utmost importance to approach it with the calmest kind of judgment and the best common sense that we can summon to our command. In our approach to the NATO protocol we must remember that within the confines of Germany herself Canadian troops are stationed at the present time. For that reason the situation is of vital interest to the people of Canada.

As you know, Mr. Speaker, I have always been one of those who have leaned very heavily toward the idea of Canada speaking with a united voice as far as possible where great international issues are concerned. On this occasion I hope that we shall be able to follow that kind of policy and to show the world that we are united on this very important matter.

Without any further delay I want to indicate in the first instance that the official opposition, the Progressive Conservative party, supports the government stand on the NATO protocol and will give it full support in the house. Having said that, I want to make what I hope will be some pointed observations respecting the situation which surrounds the ratification procedure and the substance of the proposals themselves.

Perhaps hon. members have received with the compliments of the Secretary of State for External Affairs (Mr. Pearson) a rather thick booklet of 328 pages—at least I have received one—issued as a message from the President of the United States. In this booklet is contained in compact form information that is available to any country, and for that reason Canada has taken proper advantage of the message itself. Within those 328 pages will be found the convention on the relations between the three powers and the Federal Republic of Germany, signed at Bonn, May 26, 1952, together with related documents which are of a highly technical nature.

I mention this to raise a matter that I have raised before in this house. We have in parliament a standing committee on external affairs. I am not attempting to be unduly critical of the fact that in this instance this protocol and the related agreements, complicated as they are, are not to be sent to the external affairs committee for detailed consideration. I know it is getting toward the end of a very busy session; I know that perhaps the atmosphere and the mood of the house generally may not be conducive to the kind of study that might normally be made of very complicated documents such as these. But I do think that our system of dealing with peace treaties and protocols of this kind is open to very serious criticism. If our external affairs committee is to function in its full sense then these are the subjects with which that committee should be dealing.

When the Japanese peace treaty was approved by parliament I brought the question before the house; I bring the question up again. I do it, not so much to seek this remedy at this time as to call upon the government to adopt a new, a more up to date and modernized approach to the procedure that parliament is to use when approving and ratifying international agreements and treaties in the future. Under a change of the rules, or under whatever may be necessary to effect it, it should be possible to see that when we have a resolution such as this, where there is no opportunity in committee of the whole to question the minister or to find out the facts, and where it is almost a question of "yes" or "no" and *pro forma* speeches made by those on this side of the house and by the minister, it is sent to the committee on external affairs. To deal with it otherwise is not good enough when it comes to educating and informing the Canadian people of just what these vast commitments mean to them in their everyday lives.

It seems to me that we cannot afford at any time to take any steps other than those which will give the fullest information to the people of Canada on these agreements. It is not enough to say that the Canadian people should read *Hansard* and that this knowledge should be in their possession. Perhaps that is true, but we in parliament ought to be able to dissect, to analyse and to place that analysis before the Canadian people so that from the questions and answers that come out in committee they may be able to assess for themselves just exactly where this country stands with respect to the various commitments under these agreements.

These agreements commit Canada very heavily. We are not objecting to them, nor do the Canadian people object to them, but I can say now that having in mind the far future, perhaps even the immediate future, when it becomes a question of Canadian

public opinion being behind many of these things, we ought to take time by the forelock and make sure that as far as this parliament is concerned there is no jot or tittle of evidence with respect to these agreements that is not made abundantly clear to the Canadian people as a whole. I think that ought to commend itself as a policy to every member of the House of Commons.

In making that suggestion I believe we ought to remember the mistakes that we have made in the past, and we ought to benefit by those mistakes and go forward in the new era with a new procedure in these international matters. It has always occurred to me that in the house we give great attention to and focus great concern on many domestic matters, but on questions of international gatherings we do not show the same concern. Make no mistake about it, there are over 100 conferences to which Canadians go. There are many matters discussed in these conferences and decisions arrived at by the representatives of this country which hardly ever see the light of day except to those in the parliament of Canada who may be interested in these technical international topics.

I think the time has come when in view of the major part that Canada is taking in international affairs parliament and the people of Canada must be given a freer and fuller and more abundant opportunity of seeing exactly what we are doing in every phase of world activity today. That I think is something that we ought to consider at this time as being important.

I wish now, if I may, to deal with the protocol and its relevant circumstances. I was interested in the minister's approach to the problem and the issues which this protocol arouses. In the main I think I can say that we agree with most of the comments and observations which he made. In taking our position, or in assessing the position that Canada should take on the NATO protocol, I think we have to consider that there are some lessons that we may learn from similar events that have occurred in other parts of the globe.

I am satisfied that any evidence of hesitancy, any suggestion of delay, anything that looks as though this country or the free powers were taking a little more time in some of these deliberations than normally might be the case, always impresses those who are looking for chinks in our armour and a sense of indifference on the part of the free front. I have no doubt in my mind that we would not have had a crossing of the 38th parallel in Korea had those behind the iron and bamboo curtains been told in no uncertain terms that if that crossing was made or if aggression of that kind occurred there would be a certain rallying of the free powers to see that it was stopped. But instead of that there was hesitancy, there was uncertainty, there was a somewhat chaotic approach to that particular section of the Orient. It was an invitation which was accepted by the Soviet and those who were under its direct or indirect control to take the step that they did.

I have always looked upon the Berlin blockade as being a test set up by the Soviet to find out whether we were united to the extent that we said we were. I have always felt that if we had not met that test as we did, if we had not called the bluff of the Soviet in Berlin, we would be faced with almost chaotic, if not dangerous, conditions in Europe far beyond the conditions which we now face, dangerous though they may be.

I think those are lessons that we in this parliament should consider because they will go a long way to educating us as to how we must deal with the people in the Kremlin who have control of Soviet policy. I have had a humble experience, but it has been broadening, in attending international conferences from time to time. I have formed the inevitable conclusion, which I think I must apply to the present protocol, that the Soviet is not really anxious for agreement, that it is not really anxious for the settlement of issues because any agreement and any settlement means that imperial communism cannot thrive or grow to best advantage. It thrives and has its most fertile ground in those conditions where people cannot reach agreement, where people are differing in their view, where there is uncertainty and chaos.

I have felt, and I think many of those who have attended international conferences have felt, that after all the Soviet is taking the position which perhaps it is expected it would, that if the people do not think that it pays them to settle, then it is pretty hard to get them into an agreement of any kind. The most difficult person with whom to form an agreement is the man who thinks it would not pay him to make an agreement. I think this is at the root of much of the western difficulty with the Soviet in the effort to settle international disputes generally.

If we are going to continue the discussions which started some years ago, when an attempt was made, and a very earnest attempt, by the western powers to arrive at a peace treaty for a unified Germany, I would remind the house that while the Soviet talks long and loud about the desirability of having another big four conference, those of us—I fancy this would include most members of the house—

who have read the history of those days just after the last war will realize that many insurmountable difficulties were encountered by the free powers at the time in trying to arrive at an agreement for unifying, and making peace with, Germany as a whole. We realize that they did not want a peace treaty. What they want now is another opportunity to come before the world with the deceptive idea that they are trying to find a settlement of world issues. They want a new and important forum from which they can pour forth their propaganda in an effort to divide and distract the opinions of the peoples in democracies generally.

I have no doubt that with those experiences before them the United States, Britain and France have hesitated, as they should hesitate, to give the Soviet another opportunity of spreading across the world that kind of talk and that kind of deception under the guise of wanting another German peace treaty. I think in this country we ought to be careful in taking any stand that would indicate that we have any hesitancy. That is one reason why we have been supporting so fully the government's position with respect to this NATO protocol.

I know it may be said that in a sense this country is putting the cart before the horse by dealing with this matter before the agreement between the occupying powers and Germany may have been concluded and before the European defence community agreement may have been ratified. That may be; but I believe that in view of the fact that parliament is about to prorogue shortly we ought not to be in the position of adding fuel to a fire that seems to have been kindled in certain parts of Europe and elsewhere by even those who perhaps mean well but whose position I think is wrongly taken at this time.

For that reason I think it would be a black eye to Canada to delay in any way our ratification, particularly in view of the fact that parliament may not meet for many months to come. I am quite sure that we would not want to come back to a special session to deal with this matter alone. I think perhaps in dealing with the question of the ratification of this NATO proposal we have to bear in mind one particular thing; that is the importance I think of our first of all having unity among the free powers and, secondly, indicating to that part of the world which is behind the iron curtain that we have that unity and that we have the strength necessary to carry out our defence of the peace at this time.

First of all it is important that we have unity. Second, it is important that our unity be supported by strength. Viscount Alexander of Tunis, whom I regard as one of the great military men and statesmen of the free world today, a man who has the faculty of being able to put his points of view in simple, clear and understandable terms, has come about as close as possible to the position which I think the parliament of Canada should take with respect to the NATO protocol. In yesterday's newspapers a report appeared of what defence minister Earl Alexander of Britain had to say at Seoul in Korea. He dealt first with the question of whether or not he believed a third world war was in the offing. The report reads as follows:

> Of the possibility of another major war Alexander said at a press conference: "No, no . . . We are no nearer to it than a little while ago. There is only one way to prevent it. That's for the United Nations to get together and resist aggression and let the other side know that's what they're doing."

From these few words I think this country might very well take its policy with respect to this and other matters having to do with the very important question of the peace of the world today. With regard to the situation in East and West Germany, it is very interesting indeed to hear the Soviets, with their honeyed words, attempting to attract the German people at this time, but in the Potsdam declaration, which was one of the basic documents in respect of proposals for peace and the unification of Germany, one finds certain words which I think go to the root of some of the difficulties with which NATO and the occupying forces in Europe are faced at this critical time. Among other things the Potsdam declaration contained the following:

> So far as is practicable there shall be uniformity of treatment of the German population throughout Germany.

In other words, pending a peace treaty to unify the country there was to be similarity and uniformity of treatment of all Germans. But that did not happen and because it did not happen the Soviets must bear a very heavy responsibility so far as the present situation is concerned. While the occupation troops of the three occupying powers were attempting to carry out the policy of the Potsdam declaration in West Germany the Soviets were at the same time re-arming East Germany. It is all very well to say that they were not arming in divisions or in ordinary troop formations but they were arming in a more subtle and deceptive way. They were arming under the guise of creating security police or constabulary in that part of the world.

In addition, not only were they doing that but they were also attempting to cement into East Germany the most insidious network of communism in all its political, social and economic forms. Was that treating Germany uniformly in accordance with the Potsdam

declaration? Of course not. The result is that the present situation has been aggravated by virtue of such action. I might also say with respect to East Germany, which is the Soviet area of occupation, that all through this period of jelling, if you like to call it that, when East and West Germany were becoming almost separate entities for the reasons I have just mentioned, it has been more difficult to bring about unification of the two countries. It seems to me that is a rather unfortunate situation but it perhaps was inevitable because of the line drawn between two worlds, so to speak, cutting through Germany itself. In that connection I was interested to see what the Soviets have now offered the German people. As the minister said a few minutes ago, a Soviet union note of March 10 called for a four-power conference to draft a German treaty. That in itself would seem enough to put us suspiciously on guard against falling into any new scheme for calling a four-power conference. The Soviets do not call for four-power conferences either for the purpose of helping us or to settle outstanding issues. They have another reason for suggesting four-power conferences, and I think that in itself should cause us to stop, look and listen.

They have called for an all-German government expressing the will of the German people, and they attach a draft treaty to their note. The minister mentioned the treaty a few moments ago and I shall not attempt to elaborate upon it at the moment because he has done so quite fully. However, it does appear on the face of it as though it is the last straw thrown out by the Soviets not only for the purpose of getting the Germans into their camp but to see if they cannot disturb the minds of people in Germany and elsewhere. Under their draft treaty Germany is to be a unified state. The occupying forces are to be withdrawn inside of one year from the date of signature of the treaty, but while they suggest that the occupation forces should be withdrawn nowhere is there any provision for the withdrawal of Soviet Russia's fifth column forces from any corner of East or West Germany.

It is all very well to talk about withdrawing occupation troops but, as the minister said, while our troops might withdraw across the Atlantic in some instances and the Soviet troops might withdraw into Poland, the troops of ideological communism will commence their offensive the minute the other troops have left. After all the dealings we have had with communist Russia in the past, if we are innocent enough to believe that Russia is going to leave Germany alone under the guise of a unified independent Germany, then I say that we are far more gullible as a people, as a parliament and as a government than I thought we ever could be. That is the important factor that we cannot disregard at this time. One of the things that struck me about the eleven clauses of the Russian draft treaty is that they call of course for the rehabilitation of nazism in Germany. That is what it means because it not only gives the right to those nazi generals, colonels and others who took part in the nazi movement an opportunity now to militarily rehabilitate themselves; but after all the things that the Soviets have said up and down the highways and byways of the world about nazism and the resurgence of nazism, then in this kind of declaration and this kind of draft treaty they reverse themselves and seek the very thing which they have condemned all through these years. That indicates the hollowness of the ring that this kind of treaty really has.

May I say this when we are speaking about nazi resurgence? Do not forget that after the downfall of the Kaiser in 1918 there were something like 40,000 officers of the then German army still in Germany. As opposed to 40,000 there are now, I am reliably informed, 400,000 officers who formerly served with Hitler. Those are the things that should of course put us on guard.

It seems to me that the American approach, the American answer to the Russian note on the draft treaty was a fair one. They went back again to the position taken by the United Nations where the United Nations indicated that a commission under the United Nations should be set up to ascertain whether it is possible to have free elections in both East and West Germany. That seems to me to answer the question whether the matter should be proceeded with so far as an all-out unification of Germany is concerned. Up to the present time the stumbling block has been the Soviets. They have refused to allow an independent commission to make a survey in East Germany. Why? Because they know what will be found. They know ahead of time what is there. They know that there is a network of sovietism and communism saddled now upon East Germany. They are not taking any chance on somebody coming in and seeing what is being done there. They are going to see to it that they stick out for a unified Germany on another basis, and I am suspicious that the other basis means a unified Germany under a united Soviet empire.

That is the thing which disturbs me but still at the moment the words and phraseology have an appeal. Words, Mr. Speaker, are one thing, but the background of the people who have uttered them is another. We know

the background and for that reason I think our suspicions at this time are well founded.

Now I want to say that of course there is no use attempting to gainsay the fact that there are risks and dangers in connection with the course that is being taken; but on balance—balancing the risks on one side and the dangers on the other with the fact that we are now pushing up very close to the fringe of danger, the border of the Soviet empire itself, with all the implications that may have—I for one believe that it is better for us to have the dividing line at the Elbe if we cannot get it farther east and include East Germany at this time. The hope is that East Germany will some day become part of a unified Germany and be friendly with us, but at this stage it is better to have the dividing line between that part of the iron curtain and ourselves at the Elbe rather than at the Rhine or somewhere farther west.

That is a risk that must be taken but I am wondering, Mr. Speaker, whether the risk is as great as perhaps some people believe it to be. The Soviets have run a gigantic bluff since the end of the last war. They have not been so courageous when it came right down to a critical point. They have always been pretty good at having somebody friendly with them do the dirty work—whether it was Korea, Indo-China, or some other country. The Soviets themselves have been pretty careful not to get their fingers burnt in something that might be close to a hot war. I am satisfied that the dangers have been somewhat overestimated. I am one of those who believe, and I think the minister agrees with me because he said this not so long ago, that a very intensive cold war will be waged. It may go on for three, four, five or six months but in the end it seems to me it will collapse and that we shall come out of this if we simply hold our heads and hew closely to the line that we have taken—and show these people behind the iron curtain that we mean business; that we do not mean war but that we mean that everybody in the world from now on is going to 'keep the peace or else'. I think we have got to take the position that after all peace is what we want and we are prepared to defend that peace to the last ditch.

I want to say this too. There is no reason why this country or any other country should be necessarily provocative. I think that if there is anything which would be a great sin for us now it would be if we were unduly provocative. People who are following a charted course towards peace have no need to provoke anybody. All we want to do in the free world is to mind our own business and to ask other people to mind theirs. In that spirit we hope there will grow up an era of better understanding between the east and the west.

In connection with a divided Germany from a German point of view their attitude is readily understood. They are Germans and they are proud of it. The nationalistic feeling in that country is of course one that we must take into consideration. Until East and West Germany come together again there will always be that pull or that desire to be together—and that is only natural. Nevertheless if we were to say to West Germany: Well, we are going to leave you now to work out your own solutions with East Germany as a unified nation, I have no doubt, Mr. Speaker, that would only mean throwing West Germany to the wolves. In view of the critical international position I do not think that this country or any other country would want to have anything of that kind done. If we do not do our best to bring West Germany into the North Atlantic Treaty Organization I am satisfied that not only would it have a serious effect on the German people but there would be incalculable consequences for the other units of the North Atlantic Treaty Organization in Europe and elsewhere.

Do not let us mistake this. While great stress is laid upon the strength of other nations within the North Atlantic community, and there are very strong nations within that community, let us recall that West Germany with her population of nearly 50 million is now in the position of being almost the top nation in strength in that community. Her position with respect to industrialization, and her general economic position, of course are not always fully known. True, she has taken on a very heavy burden for defence under the North Atlantic protocol. We must remember that today West Germany's exports, according to the latest figures I have received, have increased no less than sixfold within the last three years. Her economy is now by way of being the healthiest in all Europe. Some economists have indicated that she is today on a par with or better than either Britain or France economically. In any event, she is in a preferred competitive position.

Three years of intense rebuilding have brought her a larger productive capacity industrially than she had before the war. I am told that she is 50 per cent above the pre-war level, and that has been achieved by an increase of 18 per cent in 1951 alone, which is to be followed by an estimated 15 per cent in the present year. All this indicates, I believe, that the position of West

Germany is one which must be assessed in relation to her great strength and her vital importance, if I may say so, to the success of the North Atlantic Treaty Organization in the defence of Europe. I only wanted to mention the West German situation as a further buttressing of the support that we intend to give to this protocol itself.

I should like to make one or two references, if I may, to our own situation with respect to the revival of West Germany. A few minutes ago I mentioned that she had undertaken, under the NATO obligation, a heavy burden with respect to financing defence. Nevertheless, it does give Germany the opportunity, as one British newspaper said, of rebuilding her army at bargain prices. It is likely that United States money will go into that, and only maintenance charges will be made against the Federal Republic of West Germany. The resurgence of West Germany economically, of course, will have repercussions in many parts of the world. It is a risk which Canada takes herself. West Germany is now selling goods to the extent of $4 billion annually. After having seen the devastation of Germany following the last war, one wonders at the skill, imagination and initiative of that great people in being able to come back as they have. Not very long ago the London *Economist* indicated that West Germany would shortly be making a bid for the position of the third greatest trading nation in the world, following the United States and Great Britain. This means increased competition for us all. The competition which Germany will be able to provide under the North Atlantic treaty set-up, and on her own, is something that we ought to carefully consider.

These remarks and observations are not being made to weaken in any way the support that Canada may give to the admission of Germany to this protocol, but for the simple reason of seeing to it that we in Canada learn the full facts while the matter is under consideration, rather than learning about them at a later date. I think it is important that when the minister makes his reply he give the house some information as to what Canadians may expect concerning bilateral trade agreements, for instance, that may now be in effect between the Federal German Republic and East Germany. Whatever may be the outcome of our arrangements, and the arrangements with other nations, to bring West Germany into the fold of the North Atlantic Treaty Organization, we have to face one physical fact, and that is that you have a border between East and West Germany on both sides of which are German people; on both sides are people whose family connections and business connections are well known. Perhaps on one side you have a balance of industry as against a balance of agriculture and rural communities on the other. We must remember that is not the ordinary kind of border; that is not the kind of border between two nations who have been traditionally opposed to each other. I believe, therefore, that we ought to be told by the government just what trade relationships exist between East and West Germany, and whether or not those are going to be continued if this ratification takes place.

Do not forget there is a very big market for German production in Russia, in the east and in China. For that reason I believe it is important that we know where the production of West Germany is going in the days that lie ahead. I believe it is also important, too, so to arrange our set-up in bringing West Germany in that we show them that they are on our side, that we aid them economically and that they do not have to depend on trading to the east for their sustenance and for carrying the burdens of NATO. Moreover, I think the government ought to indicate what safeguards there are. This is not meant as a reflection upon the West German people; far from it. But if that frontier between East and West Germany is to be a fluid kind of frontier, then of course the question of strategic materials coming from the free world to positions behind the iron curtain becomes a very important factor to this and other countries. I have no doubt that problem will be solved, and that it will not cause any grave complications in our relationships with West Germany or West Germany's relationships with NATO in general.

I think it is important, while we are dealing with these matters, that we have a clear conception of the practical implications of all these commitments that Canada undertakes. With the consent of parliament and with the consent of the Canadian people—let us not make any mistake about that—we are building up for Canada a huge area of commitments abroad. Frankly I may say that I do not know what else we can do if we are to try to see that peace is maintained and preserved in our time. It is a risk and it is a great burden financially; but it is a burden and a risk that were not imposed upon us by ourselves; we had no choice in the matter. We must bear that fact in mind. We have moved from one commitment internationally to another until we now have a network of obligations that is of a vast character; it is by far the most extensive and intensive network of obligations and commitments internationally that Canada has ever had, and much more than she ever dreamed of fifteen

years ago; but then we did not dream that we would have the kind of world to live in that we have today. Because of that fact these commitments of course have become necessary.

The last point I want to make in connection with these commitments and obligations is this. This government and we in this parliament will make a grievous error—the results of which will be reflected upon them and upon us and upon the Canadian people in general—if, while this vast network is being instituted and established, they and we do not tell the people of Canada exactly what we are doing, why we are doing it and what would be the alternative if we refused to do it. Those are the things that are bothering the public today. Those are the things about which the public may perhaps be less informed than we in parliament could make them. Therein, in my opinion, lie the germs of certain dangers in this country which may become greater as the period of intense activity is prolonged. We may as well face, frankly and openly, the fact that our resources of perseverance, resolution and determination are going to be called upon to an extent beyond anything the people of this country have ever experienced before, in order to carry on during this critical time of what we call the cold war.

I have said before, and I say it again, that it is difficult for democratic governments and parliaments when they are trying to superimpose, upon a normal basis of the peacetime economy, a vast defence preparedness program costing not millions but billions of dollars annually, to do it without that support which during war is known as wartime mass psychology. That is something which, thank God, we have not in Canada today. Having in mind those two important features, I think our present situation calls for a greater measure of taking into the complete confidence of the government and of parliament Canadians in every walk of life and calls for telling them in plain, unvarnished, understandable language exactly what is being done, why we are doing it, the cost to each one of them in the process, and the alternatives that we would face were a different policy to be pursued by this country in its quest and search for peace.

Mr. Speaker, I am convinced we have a heavy responsibility with respect to our international affairs. I think the situation has become more critical than ever of recent times. At this vital stage of the proceedings when we, and those powers associated with us, are trying with every bit of diplomatic skill which can be summoned to their aid to see whether the ship of peace cannot be kept sailing in untroubled waters, I hope that we in this parliament, regardless of where we sit, will take our responsibilities seriously to the point where we will back up those who are with us, without too much carping criticism of those in other lands who are trying to carry the heavy burden and responsibility of saving the peace. So far as it is possible, let us try to march together, arm in arm, in measured tread, not towards war but towards a great adventure, that of saving the peace of the world in our time.

Mr. M. J. Coldwell (Rosetown-Biggar): Mr. Speaker, I suppose that anyone who rises to discuss this protocol and the implications attached to it must be conscious of some responsibility. In introducing the resolution approving of the protocol this morning, the minister said that this was probably the most important matter which would come before the house at this session or at this time. I agree with him in that respect. I would say that I think it is the most gravely important matter that we have had before parliament this session or that we are likely to have before parliament for a considerable time.

I want to say at once that, in view of the world situation, defence agreements among the anti-totalitarian nations of the world are essential. I noted that the minister said—and in this I think he was expressing a word of caution—that the ratification of the protocol would not be followed immediately by its deposit with the United States government, as is required. In other words, to that extent Canada will follow a wait-and-see policy. Personally I think that procedure is wise. This protocol in effect extends our obligations under the North Atlantic treaty. It brings into the North Atlantic Treaty Organization, as it were, under the European defence plan, contingents of troops and other forces which will be raised in Western Germany. As the minister pointed out, the protocol states:

> The present protocol shall remain in force for so long as the North Atlantic treaty and the treaty setting up the European defence community remain in force and the parties to the latter treaty continue to give, in respect of themselves and the European defence forces, guarantees to the parties to the North Atlantic treaty equivalent to the guarantees contained in the present protocol.

In other words, the defence forces which are mentioned as included in this protocol are, as the minister stated, in existence only on paper as yet. But it is an important consideration when we are discussing the protocol.

May I just remark in passing, Mr. Speaker, something that I have remarked before, namely that we are today considering what the minister says—and in this I agree with him—is probably the most important document that will come before this parliament

this session. And yet when we look around the house we see a slim attendance. At the moment there are 33 members occupying seats. When the spokesman for the official opposition began his speech there were not many more, and there were not many more when the minister himself was on his feet introducing the resolution and discussing what he himself says is one of the most important documents to come before this parliament.

As the hon. member for Peel (Mr. Graydon) said, and as the minister himself said, this matter has arisen a short time after the appalling results of German armed might under nazi leadership had been understood and felt by the people of Europe and of the world. It was only seven years ago last month that the war ended in the surrender of Germany to the allied nations. I agree that seven years later the nazi militarists are still a danger both in Western Germany and in the eastern zone. In fact, one of the remarkable statements that have come out of the Soviet union was the statement that they were prepared to see a united Germany with a German army officered, indeed fashioned, by officers who officered the nazi army under Hitler. That I think is a very revealing statement that we of the western nations cannot overlook.

Any proposal for the rearmament of Germany does involve grave risks to the rest of the world, and we would be completely opposed to any suggested rearmament of Germany which might be considered to be in the nature of a separate or independent rearmament of Germany. The only manner in which German troops can possibly be integrated into the European defence community, as we see it, is as a part of the forces of the community and under the control of the western democratic countries through their general staff and through their high officers. I say that is the only manner in which we should as a country consent to any proposal for the rearmament of Germany. But having said that, we have to consider the proposed ratification of this protocol in Canada in the light of the political atmosphere in western Europe, and when that is viewed in its proper perspective one realizes that the proposal to ratify at the moment, before the situation in western Europe has been clarified, may be, in the words of the minister on another occasion, both premature and unwise.

Our people want peace. Indeed the people of all the nations want peace, and consequently we should ask ourselves whether the ratification of this protocol and the subsequent acceptance of the proposed peace treaty with Germany does really make for peace in the world. Recently we have seen powerful political parties in western Europe —and indeed within the last week the government of France, one of the countries occupying a very vital position in connection with European defence—urging that before ratification of this protocol and the acceptance of the peace treaty, a further attempt at a settlement of the German problem should be made in the hope that understanding may lead to removal of this fear of war which overhangs the people of Europe at the present time.

One of the questions we have to ask ourselves is, does the ratification of this protocol at the present time improve the possibilities of reaching such an understanding, or does it actually make understanding more difficult? Before we approve of this protocol in this house we must satisfy ourselves as to the answer to that question. The minister said that the road to ratification of the peace treaty will be difficult and it will be dangerous.

I think the Russians have won something of a propaganda victory in the last four or five months. Their proposals are obviously unacceptable to us in the democratic countries, but when these proposals were made did the western allies make counter-proposals that were in any way likely to be equally acceptable to Western Germany, or was their reply somewhat inept? I am inclined to think that their reply was inept—and someone suggests that that is an understatement. We have the best cause in the world, and we have done the worst propaganda job in connection with it. We have always allowed the Russians to take the initiative, and indeed they are taking the initiative today in connection with germ warfare in another field when we might, when they made the charge, have taken the initiative and asked for a meeting by the security council of the United Nations where that question could have been examined. Now the Russians have proposed it, and again we lose the battle of propaganda, and I think we to some extent lost out in connection with proposals for the solution of the German problem.

What then is the situation in western Europe? Mr. Speaker, since it is one o'clock may I discuss that phase of what I am going to say when the house resumes after lunch.

At one o'clock the house took recess.

The house resumed at three o'clock.

Mr. Coldwell: Mr. Speaker, when I was speaking this morning I perhaps was a little

unfair to members of the house when I said that there were only 33 in their seats. That was the number present, but I was not aware that several important committees were sitting. Something like 60 per cent of the members of the house are on those committees. Consequently I should like to put the matter right because I do not like to be unfair to my colleagues.

At the conclusion of my remarks this morning I said that I thought we had to consider the state of public opinion in the NATO countries generally and particularly those in western Europe, as well as some of those which may not be included in the NATO organization. First, we have to pay some attention to the state of public opinion in Germany because if we ratify and deposit this protocol and it is followed by the signing or ratification of a peace treaty we want to be sure that we have achieved something of a permanent nature.

I have been following the reports emanating from Bonn and other places with a good deal of interest and also with some misgiving. For example, I notice that last week the treaty system that will rearm a sovereign West Germany within the framework of the Atlantic alliance has been challenged in the courts as to the right of the government to enter into such an agreement. We have been told that there is in Germany a steady increase in public support to induce the chancellor, Mr. Adenauer, in the words of his minister for all-German affairs, and I quote:

> To demonstrate the government's willingness to take the responsibility for the reunification of Germany.

In other words, the feeling is growing in Germany, and I believe it is a majority opinion, that prior to anything else in the way of rearmament or otherwise being done, the reunification of Germany should be considered an essential factor. As a matter of fact the German chancellor is faced with something of a rebellion in his own party, as is indicated to some extent by the quotation I have just made.

The social democratic party, which is the strongest opposition in that country, is certainly opposed to these steps being taken until the unification of Germany has been discussed and indeed until free elections have been achieved.

Not only is there misgiving and grave opposition to what is being done in Germany; we find a somewhat similar situation in France. The French government is not a socialist government; it is a coalition government. We read in a dispatch from Paris in the New York *Times* of Thursday, June 12, that the French cabinet instructed its foreign minister, Mr. Schuman, to urge an early conference between the Soviet union and the big three western powers. That was to be confined to two questions: first, the conditions of a free election in Germany, and the circumstances under which the unification of Germany would be effective. Although it has not been confirmed, it was assumed that the note from the British foreign secretary, Mr. Anthony Eden, favoured a four-power conference in reply to the latest Soviet note. According to this news dispatch from Paris, Mr. Schuman was urged to support that view if Mr. Eden expressed it. As I say, the reference to Mr. Eden was not confirmed from London.

The same dispatch in the New York *Times* says that there is a strong feeling among officials in France that no government should risk appearing reluctant to negotiate with the Soviet union in view of the fear in Europe of greater tension as a result of the signature of the treaties linking West Germany with the western coalition. It goes on to say that even Mr. Schuman pointed out recently that there would be time to negotiate before the treaties were ratified and that there is a disposition in France to put off ratification to perhaps the end of the year and to press for negotiations with the Soviet union again this summer. It adds that ratification by the French parliament might well be vitally affected by the belief or lack of belief that the western powers had made a genuine effort to discuss the German problem with Moscow.

I think all this underlines something that the minister of external affairs said this morning. He said that if this house ratifies the protocol, at the conclusion of this debate the instrument will not be deposited with the United States but will be held until there has been a clarification of the general position in western Europe. I think that that is a wise provision. In fact, had the minister not said that this morning I would have been inclined —in fact I would have done it—to move an amendment to delete the last part of the resolution before us and to substitute words to that effect. In view of the statement made by the minister of external affairs I believe that the moving of such an amendment is unnecessary because the instrument will not be deposited until there has been a further clarification of the position overseas. So much for the French situation at the present time. The dispatch to which I have referred, and a similar one by Drew Middleton from Bonn appeared in the Sunday New York *Times* of June 15, indicate the same kind of French and German opinion.

Then we have had recent statements made in Great Britain. At the moment I am looking

at a most comprehensive statement issued by the British Labour party, which after all in the recent elections last October polled the largest popular vote and may within a measurable period of time once more become the government of the United Kingdom. The British Labour party issued a statement on April 30 which does not reject, as we do not reject, the possibility of conditional German rearmament, but in confirming its agreement on this point it lays down certain conditions which I should like to place on the record. They are four in number and may be summarized as follows:

(a) No effective German rearmament so long as the Atlantic forces in Europe are not well organized and equipped.

(b) Western nations other than Germany—in particular France—to be given priority for deliveries of American arms.

(c) The integration of German troops in an international army.

(d) No German rearmament so long as the Germans themselves do not wish to rearm.

I think the latter is a very important proviso because if we are going to have successful integration and support of German troops under an international army of defence then the German people must support what is being done or it will fail. More than a year ago Mr. Clement Attlee, who it will be remembered was at that time prime minister of Great Britain, had already referred to the first three of these conditions, and I understand that the fourth was recently attached after a long discussion at the national executive meeting of the Labour party of Britain. I have a longer statement which I do not intend to read now because I may not have time but which underlines and elucidates the position taken, the four points that they made, and particularly their support for the demand of France for greater aid from the United States. The official statement of the social democratic party in Germany is also something of which I think we should take some cognizance. The party's policy was stated on the 27th of April by its vice-chairman, Erich Ollenhauer, and was reported as follows:

(a) Ollenhauer pleaded for priority to be given to the Soviet proposals for German reunion and a German peace treaty, and for all other questions to be postponed until a coherent effort had been made to reach four-power agreement on Germany.

(b) The first object of German foreign policy, he said, should be to test the sincerity of these Russian proposals.

As a matter of fact I think there is an obligation on all of us to test the sincerity of these proposals. In our hearts we may believe them to be insincere but we are engaged in a cold war, a war of words, a war of ideas, and we have to make it abundantly clear that we have tested the sincerity of all proposals emanating from the other side before we reject them if we are to obtain support for our cause throughout the world. It goes on:

This could be done by proving whether or not there were genuine possibilities of free all-German elections. Should such possibilities not exist, every German must be satisfied that every possible effort had been made by the western powers and the Federal German Republic.

(c) The signing of the contractual agreements, and the integration of West Germany in the defence system would at least make German reunion more difficult and might prevent it altogether. German participation in a European army could scarcely be interpreted as a friendly gesture by the Soviet union. The whole present conception of European integration was, moreover, basically false.

(d) Instead, the western powers should give the Soviet union a "timetable" for negotiations on German unity. This would prevent deliberate attempts to protract four-power talks and so sabotage western plans. Such questions as the Oder-Neisse line should not be brought up for a moment; they would only prejudice chances of arranging all-German elections. No alternative western policy should be applied to Germany until it was clear that such elections could not be held.

Apparently that is the official position of the official opposition party in Germany which, with the increased support it has received in the country over the last number of months, may within the next thirteen or fourteen months when the federal elections are due become the government of Germany in any event, and if elections are held sooner might become the government much earlier.

I think we should also pay some attention to the Scandinavian countries which are not a part of NATO, though in association with it. The international secretary of the Swedish social democratic party, Kaj Bjorh, in an article which he has written, has this to say:

(a) The question of German rearmament should be postponed if possible until the question of German unity is solved. Otherwise an extremely dangerous explosive situation will develop in the centre of Europe. This recommendation is in line with the German social democrats' present policy even though that policy has partly a different motivation.

I would comment here that the Swedish foreign minister, Osten Unden, made a proposal in the United Nations that the four big powers should take up negotiations on the question of free elections throughout Germany and report back to the United Nations within one month. This proposal was made last winter during the interval between the Rome and Lisbon meetings of the North Atlantic Treaty Organization. One could continue to quote not only the social democrats but the other party which is associated with Adenauer. They are the free democrats who are in a coalition with the Christian democratic union party in Germany. Dr. Karl Pfleiderer of the free democrats has expressed his doubt as to the wisdom of implementing the treaties in a hurry. He actually assailed

Dr. Adenauer for having told the bundestag that the treaties must be ratified soon to suit the convenience of the United States. Here is a direct quote from Dr. Pfleiderer:

> I do not know whether the West German government realizes that public opinion disagrees with it. We are indignant about this attempt to link one of the weightiest decisions on our future with the election campaign in a foreign state.

He was referring to the election in the United States. Many Europeans believe that the haste and pressure coming from the United States is to some extent due to the political situation in that country. I might add that I have seen several articles lately in which it has been indicated that the democratic parties of western Europe are quite alarmed at the choice of General MacArthur as keynoter at the Republican national convention. They fear the election of Mr. Taft on that account, perhaps unfairly, but nevertheless there have been some outspoken comments regarding that particular matter. Dr. Pfleiderer goes on to say that the Germans wanted every aspect of reunification explored thoroughly before the treaties were ratified. He added that "the Germans want reunification and peace, not war".

One could go on with a number of similar statements. I think our own position has been pretty well stated in the official statement which the C.C.F. national executive released to the press on May 25. I should like to put it on the record. It reads as follows:

> The C.C.F. regrets that the governments of the United States, the United Kingdom and Western Germany are persisting in their determination to sign the German peace pact at this time. The signing of this pact may well mean an end to all hopes for the unification of Germany and, therefore, enables the communists to exploit German nationalism for their own ends. Furthermore, the evidence is clear that large sections of the German people, probably the majority, are opposed to it and it is doubtful whether the pact will be ratified even by the present Bonn parliament.
>
> The national executive of the C.C.F. fully supports the position taken by the national executive of the British Labour party and other socialist parties in Europe. We urge the governments concerned to reconsider even at this late date. An attempt must be made first at four-power negotiations for the unification of Germany and for free elections. To refuse even to attempt such negotiations is to bear the responsibility for the permanent division of Germany. Sooner or later this will almost certainly alienate the support of the people even in Western Germany and may well make the whole scheme of west European integration a hollow shell. In any event, such a final act as a peace pact should not be pushed through against the will of the people of Western Germany. It should, therefore, wait until new elections have been held there, in which the German people may declare themselves on an issue which means so much to their future and to the future of peace.

I think the note I would like to emphasize in that statement is the note that is struck in statements from all the western European democratic parties—that we must beware lest the haste that has been shown plays directly into the hands of the communists in western Europe. If we try to force on western Europe policies that will not be supported by the vast majority of the people of western European countries, we are playing directly into the hands of Russia and the communist parties of both eastern and western Europe.

I repeat again that such rearmament or, shall I say, such co-operation in the defence of western Europe as may be desirable and must be achieved should be on the basis of the integration of such German forces as are necessary under the allied general staff divorced from a German general staff, and as far as possible under the leadership of the western democratic nations. Unless that is done we shall be building up in Western Germany an armed force—and this I am certain is what France really feels—which one day may co-operate with the force that is being raised and has been raised in Eastern Germany; and once again France, Europe and the world generally will be faced with the accomplished fact of a strong German army threatening the peace of Europe and of the world.

We are on the horns of a dilemma, it is true, because we are threatened with aggression across the world from behind the iron curtain. I know they profess they are defending peace and are desirous of maintaining the peace of the world, but I wish I could see more evidence of their desire to co-operate with the peace-loving peoples of the world to bring about in the world conditions which will lay the foundations of permanent peace.

This morning, the hon. member for Peel (Mr. Graydon) in discussing German rearmament pointed out something which I know is in the minds of many people, and that is the tremendous improvement in the industrial and economic situation in that country. Indeed that is largely due to the fact that they have not had to dissipate their efforts in raising armies, building air forces and navies, and to provide armaments for the forces they raise. As long as that condition continues they are of course at an advantage and we are at a disadvantage. To some extent I think that the idea of allowing Germany to engage in the production of arms—indeed not only allowing her but pressing her to do so—may be motivated in some quarters from the point of view that it will relieve other industrial nations to some extent in that field and at the same time cause Germany to engage

in the production of armaments to the disadvantage of the industrial production which has proceeded apace in that country over the last few years.

I welcome the statement made by the minister this morning that the instrument of ratification will not be deposited until there has been some clarification in the European countries, and particularly in the countries associated with us in the North Atlantic Treaty Organization. I think it is vital that that should be the case. Indeed, I suppose the Secretary of State for External Affairs presses for the ratification of this protocol today, towards the end of the present session, because possibly parliament will not meet again until sometime after Christmas or if we meet before then it will be very late in the fall of the year. We do not anticipate that meeting but it would be some months away and consequently I suppose he desires the expression of ratification by this parliament in order that when other nations, and a sufficient number of them, are ready to deposit their instruments of ratification Canada will be in a position to deposit with them.

I do not think we should be the first to deposit. I do not think that we should be the first to deposit largely because we are a North American nation. I think in this respect we should let our European friends come to decisions and give a lead in the deposit of the instruments of ratification. As I understand it, what we are doing is ratifying a protocol, an instrument, which may or may not be deposited at Washington, and it will only be deposited when we feel that the conditions among the nations associated with us in the North Atlantic Treaty Organization permit us to do so without any reservation and indeed without taking the first step.

I think, Mr. Speaker, that I have said all I wanted to say on the matter. We hope this will promote confidence and peaceful negotiation in Europe. We approach the problem with some misgiving in that regard because we realize as other democratic people realize, particularly those in western Europe, that the proposals may deepen the gulf that separates the west from the east and may make it still more difficult to arrive at an international understanding and the foundations of world peace. I think no one questions the necessity, as long as the situation in Europe and indeed across the world remains as it is, of organizing our forces to resist totalitarianism—totalitarianism in any form—in order that we may preserve the freedoms that we value and protect the freely elected parliamentary institutions under which we live.

Mr. Solon E. Low (Peace River): Mr. Speaker, it is not my intention to take too much time this afternoon in the discussion of the protocol that is before us but I do feel that it is essential that I say something on behalf of the group which I lead in this house.

I have followed with great interest the statement that was made this morning by the Secretary of State for External Affairs (Mr. Pearson) and the speeches that have been made by the hon. member for Peel (Mr. Graydon) and the hon. member for Rosetown-Biggar (Mr. Coldwell). While I find myself in agreement with much that has been said I feel also that there are warnings that have to be uttered, and it is my intention to utter one or two of those warnings in the course of the few minutes that I shall speak this afternoon.

In making his statement this morning the minister stressed the importance of the protocol. I believe he said that it was, if not the most important, one of the most important matters to come before parliament at this session. He also stressed the gravity of the world situation. I can quite understand the anxiety any minister would feel about finding, if possible, a balance of power arrangement or treaty under which peace could best be assured, or at least under which we would have the very best chance to beat back any aggressor who might wish to take the chance of attacking us; that is understandable. When one does take a thorough look at the whole world situation, it is a situation that fills one with disquietude and anxiety, so every effort will have to be made to see to it that the western nations are made strong so that they can have some feeling of security. I am the last person in the world who would want to say or do anything that would jeopardize our chance of making the nations of the world strong or of jeopardizing the chances for peace, so I hope I will be able to be moderate in all that I say today, realizing as I do my responsibility as a member of this house.

In his opening statement the minister said that the protocol under discussion does indeed extend Canada's obligations under the North Atlantic treaty. If we ratify this protocol, then our guarantees given under the North Atlantic treaty are extended not only to the armies, the air force, the navy of Western Germany, but also to the territory of the Republic of Germany. In my judgment this makes the protocol one of extreme importance. I believe that today Germany occupies the most dangerous, and at the same time the most potentially explosive position in the world. For months past I think the world has realized that. While the focus of world attention has been on Korea and the Far

East, world students have consistently told us to keep an eye on western Europe, particularly Germany. That being so, Mr. Speaker, any decision which involves Canada in obligations or guarantees towards Germany is a decision which ought not to be made hastily, and certainly not without the fullest possible measure of inquiry into every detail of our undertaking as well as into all the implications of that undertaking.

I feel sure the minister must know that neither the timing of his resolution nor the form in which it is presented before us now permits of the thorough investigation and discussion by members of parliament which such a gravely important document requires. One is led to ask, of course, why the protocol was not referred to the external affairs committee. I realize that it has not been in existence very long, but I believe it has been in existence long enough to allow it to have been presented to that committee for thorough discussion and investigation. I believe that one could be excused for asking why, at the present time, there is no opportunity to consider the protocol in the committee of the whole, where by a process of question and answer the members of the house could ascertain just what we are doing and at the same time let the people of Canada know exactly the type of contract to which we are binding them.

The form of the resolution which places the protocol before the house today does not permit of that kind of discussion. I think it is a pity. I am asking in all seriousness why it was not introduced in a different form. Surely, that could have been done. We would at least have had the satisfaction, when we had completed the discussion, of feeling that we had found out all that there was to be found out in the course of our questions and answers. Only then would we be in possession of sufficient knowledge to enable us to make a choice as to whether or not we would commit Canada to the protocol.

The minister says that he believes, dangerous as the situation may be after we have committed ourselves to the protocol, that under the circumstances it is the best preventive of war. The minister, of course, is in possession of a lot more information than are the members of the house. He has the advantage of advisers who doubtless are ready to advise him on that particular score, but we in the house are not in the possession of these things. It seems to me that before we do commit ourselves to such a proposition as the protocol we ought to know a great deal more about it.

Much has been said today, Mr. Speaker, about the rearmament of Germany. I want to say a word on that topic. To my mind the rearmament of Germany is fraught with the gravest possible consequences to the whole world. Under the present circumstances it may be necessary to rearm the German people if we are to prevent war with the Soviet bloc. On the surface, it does appear to be so, but what will be the long-range result of rearming the German people? That is a question to which I think we ought to give the most careful consideration.

I have always felt that the defeat of German arms in world war II did not put an end to that country's ambitions, and consequently Germany will try it again. Of that I am sincerely convinced, and particularly if the western powers continue to insist upon terms in peace treaties which impose upon Germany such things as trade restrictions and the gold standards which are involved in the most-favoured-nation trade clauses and in Bretton Woods. I think everyone who has read anything at all during the past few months must have come to the conclusion that Germany has made a most remarkable recovery since the end of the war. I know that when I travelled in Germany in 1948, even that soon after the close of the war, there was evidence everywhere of recovery. Labour was at peace. There where no strikes. The people had an inclination to get down to hard work without complaints. Everywhere there was determination to bring Germany back just as quickly as possible to a position of strength.

Down through the Ruhr valley, where a few months before those seas of smoke stacks had been without smoke, in 1948 they were belching smoke and the whole area was a hive of activity. In recent months there have been reports in various publications, notably a February issue of *Life* magazine, containing the whole story of the remarkable recovery of Germany. These publications have carried detailed stories about what has been happening in Germany. I want to say right here, Mr. Speaker, that these reports have filled me with foreboding, because as soon as Germany brings herself back to a position of real strength in her industrial capacity, such as she had during the war, then the rest of the world has to begin to fear, particularly under the type of trading arrangements that we have been following in the past few decades. In one way I am glad to see Germany coming back and making the remarkable recovery that she is making. But, Mr. Speaker, it looks to me as though the recovery of Germany is going to complicate matters now. I say that with sincerity, and I believe the minister realizes that it is so.

It does seem insane for us to take a position of restriction in trade treaties and in such things as Bretton Woods, and to be imposing these things upon a conquered

country at a time like this when the world is in desperate need of goods of all kinds. Surely we should welcome the effort of any country to go all-out in order to produce goods and services for the people of the world. That is particularly so now when 1,200 million people in this world go to bed hungry almost every night of the year and when those 1,200 million people in what we call the underprivileged an underdeveloped areas of the world are looking to the west for assistance by way of the things that we can produce and send to them.

It looks to me as though we should welcome the efforts of countries like Germany to produce all-out and to make their production available to the world. If we are ever going to convince Germany and other countries of this world that their productive enterprise is welcome, that we must give encouragement everywhere to all-out production and to see that that production is distributed equitably throughout the world it is necessary for us to institute a new idea of decent treatment between peoples and nations. We cannot do it by imposing upon them restrictive trade treaties. I am just afraid, Mr. Speaker, that that is one of the things involved in this whole question of Germany.

We are today talking about the peace treaty, the unification of Germany and rearmament in relation to this protocol. I want to impress upon the members of this house that if the rearmament of Germany is to be accomplished without grave danger to the rest of the world, it will have to be done under a relationship that will bring home to the people of Germany the idea that the western powers are going to treat them decently, and that they will be given a decent opportunity to produce and to distribute the goods that they can produce so that the peoples of the world can have them. Unless that is done, we are just going to push such countries as Germany right back into the position in which they were prior to world war II when they felt that they simply had to break out and resort to arms in an effort to breathe.

I am just as satisfied as I am that I stand here of the fact that one of the reasons why Germany went to war in 1939 was that she felt she simply could not continue to operate under the restrictions in trade which were being imposed on her. I am not trying to excuse for one moment what Germany did. I have always been prepared to join with those who set out to put down aggression and any unwarranted armed conflict of any kind anywhere. I think we must learn to understand; and to understand, it is necessary for us to get at the root of things. In my judgment, one of the things that are complicating the present European situation is the fear that Germany will once again dominate the whole of Europe in the matter of productive potential, particularly in industry.

The United States and other countries of the world have been sending into Europe large sums of money and large gifts of equipment, material and food to help those countries to bring themselves back and to get into a position in which they can take care of their own needs. Now that the United States and the other "have" countries have at least partially accomplished their objective, they then turn right around, put up high tariffs and impose trade restrictions upon them so that they cannot get rid of their goods. What kind of a paradoxical situation is that, Mr. Speaker? It is that paradox which must be solved if we are ever to achieve peace in this world. Surely in a world of potential abundance it is unthinkable to allow want, frustration, deprivation and fear of the future to continue to exist amongst at least half the population of the world. I mention that matter because it is involved in this whole question of what to do about Germany in the future.

I agree with the hon. member for Rosetown-Biggar when he said that rearmament of Germany must be carried on under the strictest possible supervision. I do not know how long that supervision can last. That is one of the imponderables. At the present time it would be quite possible to see that what German troops are raised, armed and equipped should be officered by North Atlantic Treaty Organization officers; but that does not mean to say that they will be able to continue to officer them and to control them in the years ahead. We do not know for how long that will be possible. So, Mr. Speaker, what I said earlier I must emphasize once more, namely that we should not rush into the ratification of a protocol of this nature until we have given it much more study than we have been able to give it thus far. There are too many dangers involved.

In the course of his speech this morning, the minister laid some emphasis on the development of a united Europe. In the course of his statement he mentioned the functional integration of Europe; that is, he stressed the functional approach rather than the formal federation approach. I would be much more impressed by the minister's statement wherein he said European unity—that is, the full integration of Europe—should grow and not be imposed, if the facts of history did not definitely indicate that the integration is being forced and has actually been planned and forced for many years.

Anybody who has a knowledge of the facts of history must realize that the present sordid world situation did not just happen. It did not. These things do not just happen. These things that make up the present sordid world situation are the results of policies of men. That being so, for the life of me I cannot understand how anybody could possibly say that the integration of Europe is not being forced. It is being forced. War and the fear of war have been used for a long time to force that integration. I have some fairly strong feelings of suspicion about the whole matter. I have watched the moves ever since I was old enough to start to watch them. Back in 1917, Mr. Speaker, we did not worry too much about communism; but when we saw communism rise, we began to worry. And by the way, Mr. Speaker, it rose in Germany; it was cradled in Germany; it was nourished in Germany. The communist cells were developed in Germany and spread elsewhere. When, back in 1917 and 1918, we saw an opportunity of nipping communism in the bud and saw that it was deliberately bypassed, some of us began to wonder what was up. And when we saw it spread from Germany, by way of what I think was a deliberate conspiracy, into Russia, sponsored by German interests and German money, to make possible the revolution, and make possible communist control of Russia, and nothing was done to prevent it—in fact everything was done to enhance the move, Mr. Speaker—some of us were filled with foreboding. We have seen these things develop step by step toward the point where today some say that the only possible cure for it is the full federation of Europe.

I do not know whether that could possibly be a cure. I am quite prepared to admit that balance of power arrangement amongst all the free nations of the world is essential at this time. It may even be that integration of European economies under what the minister is pleased to call the functional approach is necessary. It may be, but, as I said to begin this part of my talk, I would be a whole lot more impressed by the minister's statement if the facts of history did not indicate quite definitely that the integration of Europe is being forced and has been forced and has been planned for a long time. It needs a lot of study and a lot more of consideration than we have been able to give it up to this time.

The minister informed us today that the road to ratification of the peace treaty with Germany and of this protocol itself is likely to be a difficult one. I understand that Canada is the first country to take action on the protocol. That may or may not be true.

Mr. Pearson: We have not taken any action yet.

Mr. Low: But we are in the process of taking some action now. It is before us for ratification. As I understand it, what we are doing here is putting the seal of approval of the people on it so that at any time it is deposited with the United States of America, and when the other contractees to the North Atlantic Treaty Organization have done likewise, then it becomes a binding contract. Well, we are taking action.

It seems almost a chronic fault, in my judgment, of the Liberal government to want to rush headlong into international commitments, to be the first in the water without knowing how deep the water is or how treacherous the currents may be in the swimming pool. We have made terrible mistakes in the past through such unwise haste. I have often wondered how long this government will make Canada the guinea pig, or the cat's paw to snatch the first hot chestnut out of the fire. How long are they going to continue to make Canada the guinea pig or that cat's paw?

Like the hon. member for Rosetown-Biggar (Mr. Coldwell), I say let us first see what some of these other nations are going to do. Give them the chance to act first. I recall quite well that when the Bretton Woods matter came up in the house in 1945 one of the things which we Social Crediters placed before the house was that Russia had continued to press for that thing with such undue and indecent haste that we were suspicious of it. We said: Let us just take a look and see what Russia is going to do about it before we plunge headlong into it. Let us take a look at what its implications are. You remember, Mr. Speaker, how some of us were called a bunch of fools because we attempted to get those facts before the people, to hold it up long enough to study the whole situation, all the implications of Bretton Woods. I just refresh your memory, Mr. Speaker, that after Russia had succeeded in getting the rest of the nations into it, they backed out and have never come into the scheme. We succeeded in putting a millstone around our necks right here in Canada and so did the other nations that allowed themselves to be imposed upon in the same manner. Therefore I say, let us be pretty careful about how we jump into these things. If the minister insists, of course, that this protocol must be ratified by us quickly and without ample opportunity to inquire into the full meaning and implications of it, then the only thing I can say to him is that he will have to take the dreadful responsibility alone, as without a full knowledge of the facts and

possibilities involved in it, I am not in conscience joining my group with him in committing Canada to the extended obligations to which this treaty binds us.

If he feels it is essential that the house put its seal of approval on the protocol now, then I warn him that before Canada deposits her ratification with the United States we must make mighty sure that we know every detail of the obligations the Canadian people will have to assume as a consequence of it; and furthermore, as the hon. member for Peel (Mr. Graydon) expressed himself this morning, the Canadian people ought to be made fully aware of just what they are getting into. With that warning, Mr. Speaker, I shall simply have to throw this responsibility right back on the minister's doorstep, as I do not feel that I can commit my group to the support of it at this time, knowing as little about it as we do.

Mr. G. R. Pearkes (Nanaimo): I welcome this opportunity to take part briefly in this debate on the resolution which is before the house. In the resolution it is stated that one of the objects is to permit the closer association of the countries of western Europe. It was my privilege last December to attend the Council of Europe in Strasbourg where the whole question of a greater unity of the European countries was discussed at very considerable length.

I was pleased to hear the minister state that he considered the so-called functional approach was more acceptable at the present time. When I was speaking in the house on March 11 of this year in the throne speech debate I also mentioned that I considered the functional approach was the only practical approach to this problem at the present time. Briefly the functional approach is that of the setting up of specialized authorities to ensure European co-operation in certain definite and specific fields in which there is a very definite prospect of a solution being found to specific problems. Opposed to that idea is the rather more speedy solution advanced by certain statesmen in France and Italy for the federal approach. The congressmen from the United States who attended the consultative assembly last year seemed to be rather anxious that the federal approach should be adopted. But my impression, which apparently is the same as that of the Secretary of State for External Affairs, is that the functional approach is the only practical one at the present time, and that we must move slowly in this matter.

The countries of Europe have century-old traditions behind them. They are not all bad; it is not all a question of national hatreds. There is much national pride in the development of their national cultures and so forth. It is upon those particular aspects of the gradual development in Europe that emphasis is laid. These countries are hesitant about abandoning all that their forefathers have created. They are proud of their national traditions, and they do not consider the work of their fathers as being that of fools and liars. There is an old quotation that when a land forgets its legends, when it sees fears in the past, it is a sign of its decay. Europe is not decaying at the present time.

The minister went on to refer to Germany as being the key to Europe at the present time. I could not agree more with any statement. I certainly do believe that Germany is the key to Europe at the present time. While I was there I heard many statesmen indicate the importance of German unification being brought about. Statesmen from West Germany repeatedly emphasized the goal of German unification. I heard it said that this was an imperative necessity. But those statesmen of West Germany were not prepared to sacrifice the West German republic to soviet Russia in order to bring about unification. They wanted unification brought about along democratic lines rather than along communist lines. The impression I got was that the statesmen of West Germany would rather wait for proper unification to be brought about through democratic processes than to have unification brought about by the communist approach. As the minister said, Russia could withdraw behind Poland and the occupational forces of the United States, France and Great Britain could be withdrawn behind the Rhine, but that would be paramount to handing over Germany to communism. It would create a vacuum in which communism certainly would flourish.

There is no question about the determination of the Germans to eventually have a unified Germany. I heard evidence that some 10 million or 12 million East Germans had been expelled from their country and sent into West Germany. I shall never forget what one statesman of the West German republic said. He told me that their places had been taken in East Germany by Poles and Mongols. You could feel the pent-up determination of that man to one day see those Poles and Mongols removed from the farms of East Germany and those expellees who were living in West Germany returned to the eastern provinces of their country. We must not be led away by the fact that at the present moment West Germany is anxious to work with the other countries of the North Atlantic treaty, with the western powers, and is prepared to forget

unification. They are anxious for unification, but they want the democratic approach to that unification.

Reference has been made to the growth of trade in West Germany. I saw evidence of the way in which new plants have sprung up all through the Ruhr valley from the rubble of factories which were destroyed. No one travelling in that country can help but be impressed by the resilience of the German people. Those people have to live by trade; they have to find markets in the world in which they can sell their manufactured goods.

Reference was made to the possibility of having free elections in Germany. In my opinion it will be difficult to bring about the unification of Germany until free elections can be held in all parts of Germany and in the various sections of Berlin. Evidence was given before a committee of the United Nations in Paris to the effect that at the present time free elections could not be held in East Germany. It was said that that could not be done until the Russian authorities were prepared to allow the leaders of parties other than the communist party to come into East Germany and announce their policies on the public platform. That cannot be done at the present time. Although there are small groups keeping alive democratic ideas in East Germany, the meetings of those groups must be held in secret or they must come into West Germany or western Berlin in order to discuss these matters.

There are two questions regarding this protocol which I should like to have answered. I notice in article I reference is made to the territory of any of the members of the European defence community in Europe. It then goes on to say that an attack on the territory of any member shall be considered an attack against all the parties to the North Atlantic treaty and require necessary action.

I am rather interested in knowing the position at the present time in respect to Turkey. Turkey is a member of the North Atlantic Treaty Organization, but in the main she is an Asiatic power. Any threat to Turkish territory might well be through an Asiatic approach to that land which is most vulnerable in that direction. We know that for some five hundred years Turkey has exercised dominion over many Arabian countries. We know that there are communist satellite states on her eastern border. Would an attack on Turkey developing from Asia be considered as excluded from the provisions of this protocol, or are we to be committed to going to Turkey's assistance if an attack should come through Asia? Are we concerned only with the European portion of Turkey? This article states definitely "in Europe". That is one point which I would ask the minister to clear up.

When the minister was referring to Western Germany and our responsibilities to Western Germany he made no reference to Berlin. Berlin of course is entirely separate from Western Germany. It is in a peculiar situation in that it is surrounded by Russian-occupied zones. I would ask the minister to advise the house what our obligations are with respect to the western sector of Berlin where we have very definite connections but quite different from those with regard to Western Germany. I think it is somewhat ambiguous to leave the situation as it is at the present moment.

There was one other remark in the minister's speech that I wanted to mention. He referred to the reorganization of the German army and the supplying of the German forces with armament which he said was defensive. While the intention may be that the armament should be used defensively I think it would be giving a false impression if the statement were let stand that the Germans were only being allowed to rearm with armament of a purely defensive nature. Otherwise one might consider that the sole armament with which the German forces would be equipped might be anti-aircraft artillery and that sort of thing. From published reports, however, we know that the German component of the European army will have such formations as panzer divisions; and while panzer divisions may be used entirely defensively nobody could possibly say that they are defensive armament. I wanted to raise that point.

I think we must also realize the fact that Germany has no army at the present time and has not had for a period of seven years. Armies cannot be created overnight even though there is a core of officers who saw active service seven years ago. It is going to take some time before a reorganized German army can be ready to take the field or can be effective in any way. Personally I feel that the immediate danger of the next two or three years so far as the possibility of a Russian advance through Europe is concerned outweighs for the time being at least the dangers which might be foreseen in the creation of a German army.

I do not think Germany has any thought of embarking upon another Franco-Prussian war or of initiating operations against France or any other European country. At the present time her feelings are far more hostile toward Russia than toward any other European

country. Therefore I feel there is no reason for delay in approving this protocol because such delay might be misinterpreted to mean that Canada was not anxious to carry out all her commitments under the North Atlantic Treaty Organization or from the point of view of the general desire to maintain the peace of the world. If we have wise statesmanship over the years I think we can ward off the fear that in the far distant future Germany might have aggressive designs against other European countries.

If we always keep before us the objective of the resolution, namely the ensuring of closer association of the countries of western Europe, then we can avoid that danger. We need not cherish the suspicions that exist at the present time because if there is closer association between the countries of western Europe, which can be brought about by wise statesmanship, the danger of future wars will recede.

Mr. W. J. Browne (St. John's West): Mr. Speaker, sitting here today as one who is not a member of the external affairs committee but as one who is deeply interested in the subject before the house, it seems to me that hon. members are showing great discretion in the discussion of this matter. I wish to support the hon. member for Peel (Mr. Graydon) and the hon. member for Nanaimo (Mr. Pearkes) in the attitude they have taken in favour of the resolution, though I think I can understand the motives at the back of the minds of the hon. member for Rosetown-Biggar (Mr. Coldwell) and the hon. member for Peace River (Mr. Low) in urging upon the minister that every precaution should be taken to see that we are not the first to deposit ratification. As the old saying goes, be not the last the old coat to take off nor yet the first the new one to put on. They do not want to see us rush to deposit ratification.

I listened to the hon. member for Peace River speak of the fears in his mind of the danger of a reorganized Germany. He was, I think, following somewhat in the footsteps of the hon. member for Rosetown-Biggar, who spoke about the nazis. It seems to me that these hon. members are not cognizant of the great change that has taken place in Western Germany and in Europe generally since the war. Fascism was overthrown not so much by war as by the will of the people concerned. The people did not want fascism. They did not want a tyranny over them. The people in post-war Germany did not want a tyranny over them. We have in both Italy and Germany today Christian democratic governments with which the western nations can easily work in harmony. It is because of the presence in Germany today of a Christian democratic government with a Christian prime minister that we are being asked to support the resolution.

I think we must recognize that Germany stands in the front line if there is any danger from Russia, and I am sure the hon. member for Peace River will recognize that the danger from Russia is greater than the danger from Germany at the present time. I do not think anybody can deny that. We know that the professed aim of the Russian government is world domination, as was the professed aim of Hitler and nazi Germany fifteen years ago. Russia came out of the war far greater and far stronger than Germany ever was. Russia gained far more territory than Hitler ever had in mind to gain. Therefore Russia is the real enemy, and it seems to me that the hon. member, looking at the reality of the situation and recognizing that however distasteful it may be to link up with a former enemy—not only link up but guarantee protection—will see this is the only thing we can do. We have to choose one way or the other. As the hon. member for Nanaimo (Mr. Pearkes) says, we cannot leave the centre of Europe a vacuum. If we do the power of Russia will spread into Germany; and if we permitted German intelligence, manpower and industrial power to be added to the present power of Russia, then Russia would be invincible. If the power of Japan could be added to the power of China and Russia you would have the same situation in the east.

It is fortunate for the western countries that these European countries have the common culture and common traditions about which the Secretary of State for External Affairs (Mr. Pearson) speaks. They have a common Christian culture. It is fortunate for us today, too, that we have both Japan and Germany on the side of the western democracies, adopting the principles that we advocate as the most suitable form of government. Some hon. members may remember that nearly three years ago I said that we should have both Japan and Germany on our side. It is a blessing from the Almighty for which we ought to be thankful that these two nations are on our side and not with the Russians. The nazi government was a pagan government; the Russian government is a pagan government, and therefore, directly opposed to our traditions, the cultural ideas in our western democracies, and to our form of government which comes from respect for the individual, something which does not exist in Russia.

Germany is, as I say, in the first line of defence. If there is to be an attack Germany must meet it. To do so she must

have forces. It is impossible for the Americans, the Canadians and other smaller countries to defend a great country like Germany from the powerful forces which we are told Russia could mobilize in a very short time. As the hon. member for Nanaimo (Mr. Pearkes) has said, there is no German army in existence today. There is really nothing for the hon. member for Peace River (Mr. Low) to fear. What we have to fear is what everybody is fearing; that the Russians may feel they are in a position to attack and conquer. Fortunately the organization that has taken place in the last year or two under the leadership of General Eisenhower and the United Nations seems to have put them off that idea. Let us hope this protocol will be speedily ratified by all the nations so Germany will be reorganized and become part of the common defence of Europe and the western democracies as soon as possible.

Germany has made a remarkable recovery, similar to the recovery made by Japan. It is really remarkable to notice how these two countries have come up from defeat and the results of the severe bombing attacks they received, which practically destroyed a high percentage of their industrial capacity. German industry is now in such a position that people who attended the international trade fair in Toronto the other day were full of admiration for the German exhibit which they said was the best at the show.

What we have to decide today is whether we are going to support Germany entering into the European defence community and joining us in a defence contract against possible communist imperialist aggression. That is the problem in a nutshell, and it seems to me it is very simple. There is only one decision we can make. The hon. member for Peace River and the hon. member for Rosetown-Biggar do not wish us to make the decision right away. They say let us wait; let us see what the other countries are going to do. Well, it is either right or wrong, and it seems to me to be right so the sooner we do it the better. Let us who claim credit for having initiated the North Atlantic Treaty Organization, and all the good things that have come from that organization, go ahead. Why should we hesitate to be the first to approve this protocol?

Mr. J. M. Macdonnell (Greenwood): Mr. Speaker, I just want to add a brief word.

It seems to me this situation is terribly clear, terribly simple and terribly important. What is the situation? The situation as I see it is that we and other nations have banded ourselves together in the hope that we may still have time to become strong enough to deter the Russians from attacking us. Now we are asked to take an action the aim of which I suppose, if you analyse it accurately, is to do the best we can to get Germany on our side rather than the other side. I suppose that if Germany is attacked today we are bound to defend her. We have troops in Germany; our own brigade is there.

Now, let us not fool ourselves that the Germans have come to love us. Of course they have not come to love us. The question is whether West Germany will find it in her interests to be on our side rather than the other side. We know that they hate communism, or we believe that they hate communism; nevertheless those who had to make this decision—Acheson, Eden, and Schuman —did not find it easy, I am sure. They found it terribly difficult, and I think all the evidence shows that. Nevertheless, having calculated the risk these men—able men whom we trust—with all the information available decided to take the course which has been decided upon.

We are now asked to authorize our government to go ahead. We are not asking it to rush in tomorrow, but I deprecate more than I can say the idea that we should hang back and let the European countries go first. Where would we be if the United States had done that for the last year or two?

As I said, I do not think we should tell the Secretary of State for External Affairs (Mr. Pearson) that he should rush off and mail this protocol today or do whatever is necessary by way of depositing it, but it seems to me most unfortunate that anything should be said in this house which can be used to show there is hesitation. We are committed now, and the time for hesitation has long gone by as far as I can see. It would seem to me unfortunate beyond words if anything said in this country could be used, as it will be used in Russia, to show that our people are half-hearted, that they have been ready to talk but that when the issue comes they are not ready to act. That can be used in the German bundestag where this is being fought out at the moment.

I have, myself, the greatest admiration for Adenauer. I do not know whether he hates or loves us, but he is a stout fellow trying to get this thing through. He is not having an easy time. It seems to me that any word of hesitation in this house is going to be surely magnified and used by the opponents of this measure in the West German parliament. We are not acting in any spirit of chauvinism; we have had enough war, and we know what it is like. It is not a very thrilling

adventure, and it will be worse the next time; but we are doing our best, and for goodness sake do not let us face both ways.

Mr. Deputy Speaker: Order. If the minister speaks now, he will close the debate.

Mr. Pearson: Mr. Speaker, I think all hon. members will agree we have had a good discussion which is worthy of the importance of this matter. I have a few words to say in concluding the discussion because I think the house would expect me to try to deal with some of the points that have been raised.

In the first place, Mr. Speaker, I would like to refer to one or two specific points raised by the hon. member for Nanaimo (Mr. Pearkes). He wanted to know what the position of Turkey would be under these NATO guarantees and the European defence community guarantee. He was worried about the use of the word "Europe" in the article of the protocol referring to that guarantee. If he had read a little further in that article he would have seen that the guarantee extends to the territory of any of the members of the European defence community in Europe or any area described in article 6(1) of the North Atlantic treaty. That reciprocal guarantee is also in the European defence community treaty.

If he were then to turn to article 6(1) of the North Atlantic treaty, an article which was modified by the admission of Turkey and Greece, he would discover a guarantee in that treaty which now extends to the territory of any of the parties in Europe or North America, to the Algerian departments of France and to the territory of Turkey. Those words were added when Turkey joined the North Atlantic pact, so it is quite clear the guarantee we extend to those countries extends to their whole metropolitan area. The reason the word "Europe" was used in the first place was to exclude from the guarantee the colonial territories of some of the signatory powers.

Then the hon. member wanted to know what the situation was in regard to Berlin, and that is a very important point. I do not think I mentioned this morning that Berlin is not included in the territory covered by the peace contract. There are references, however, to Berlin in the contract and in certain supplementary exchanges which will be found attached to the contract. The interest of the three western powers in Berlin was affirmed in September, 1950, in a tripartite security guarantee which they gave at that time. This guarantee was later reaffirmed at a North Atlantic council meeting, and again on the signature of the European defence community treaty in Paris on May 27, in the following terms:

[Mr. Macdonnell (Greenwood).]

They—

That is the three governments.

—therefore reaffirm that they will treat any attack against Berlin from any quarter as an attack upon their forces and themselves.

I believe it is quite clear now that any attack on Berlin from any quarter would call into effect the guarantee so far as the three main guarantors are concerned; that is recognized in the exchanges that have recently taken place.

Mr. Low: Is the guarantee limited to the three?

Mr. Pearson: We have accepted ours, of course, under the original treaty. The effect of an attack on the occupying powers in Germany, including Berlin, would be an attack on those powers, so we are included to that extent.

Mr. Graydon: It is not affected by this legislation now?

Mr. Pearson: Any obligation we may have in respect of Berlin, Mr. Speaker, as I understand it, is not affected by this particular peace contract.

Mr. Graydon: Only by the original guarantee.

Mr. Pearson: By the original guarantee, and by our association with the tripartite declaration of 1950.

One other point was raised by the hon. member for Nanaimo. He called my attention to the fact that I had given the impression that the German contingent of the European defence forces would be allowed to use defensive armaments only. If I gave that impression it was wrong because, as he pointed out, the defensive use of weapons is one thing but a defensive weapon is another. The German contingent with the European defence forces, if and when they are constituted, would of course be armed with the same weapons as the other contingents of that army.

If I may revert to some of the more general observations that were made, I should like to say a word first about the very interesting and constructive statement of the hon. member for Peel (Mr. Graydon). He made a plea, which was echoed by other speakers, that we should tell the people what we are doing in connection with foreign affairs, a plea which he has made before in this house and one to which no hon. member would wish to take exception. I agree that we should tell the people what we are doing in matters of this kind which are so important to them and to their destiny. I believe that, by and large,

this government has done its best to make the public aware of not only what it is doing but also why it is trying to do certain things in the field of external relations.

I believe there was an implied criticism, and I am not quarrelling with it, on the part of the member for Peel and more specifically on the part of the member for Peace River (Mr. Low), that a protocol document so important as this, with such far-reaching consequences for peace or war, should have been referred for detailed discussion to the standing committee on external affairs. The hon. member referred to this aspect of the question several times and to the fact that we were now ratifying this protocol. The constitutional position, of course, is clear. Ratification is the action of the government; but it has become the constitutional practice, and it is a good practice, that that executive action of the government should not be discharged until the legislature has had a chance to express its approval or disapproval. What we are doing today is giving the legislature a chance to express its opinion. But with all respect, I do not feel that we are rushing this parliament into approval or disapproval, as the hon. member for Peace River rather indicated.

I have before me the transcript of the hearings of the standing committee on external affairs. In so far as the members of that committee are concerned—and I appreciate that does not include all the membership of the house—there were three meetings this session, at which I was present, which were devoted to a general discussion of international affairs. During that general discussion a good deal of time was devoted to NATO. This protocol which we have before us was also referred to by me in speeches in this house. I mentioned it when I came back from the North Atlantic council meeting in Lisbon, and indeed the whole matter was made public some weeks ago, before we had these hearings in the standing committee on external affairs. An opportunity was given, therefore, at that time for as exhaustive an examination as any member of the standing committee on external affairs desired to make, by addressing questions to me and to the officials of the department who would be familiar with all the details of the agreements. There is certainly no desire on the part of the government, however, to rush parliament into approval or disapproval of this treaty or indeed to rush into executive action if approval is given.

I was quite interested in the concluding observation of the hon. member for Greenwood (Mr. Macdonnell). I agree that we should not necessarily hang back in doing a good deed, if this is a good deed, and that we should certainly do nothing by our inaction or our hesitancy—if we feel that this is a good move in principle—to give those who are opposed to it the argument that we are lukewarm and therefore there is no reason for them to be any warmer. Nevertheless I think it is a matter of timing, and that it would be quite appropriate for the government, if the house approves of this protocol, to postpone the deposit of its ratification until we see how the situation works out in other countries which are just as deeply concerned with this matter as we are. If there had been a possibility of considering this matter a month or two from now, a discussion of this protocol at that time might have been more realistic in the light of developments in other parts of the world. I for one would have welcomed the postponement of such a discussion. But, as was pointed out by the hon. member for Rosetown-Biggar (Mr. Coldwell), if we do not take action now we might find ourselves later in the position of being the only member of the North Atlantic Treaty Organization, or the European defence community, which had not taken steps to bring this protocol into effect. I think that is a responsibility no hon. member of this house who favours this protocol would wish to take. So the actual act of ratification—that is the deposit of the instrument of ratification—in accord with appropriate constitutional practice, will be performed by the government in the light of circumstances if this house approves of the protocol itself.

To get back to the speech made by the hon. member for Peel (Mr. Graydon), may I say that he made what to me were some extremely interesting general observations on the line we should follow in respect of the communist attitude toward the German and other related problems. He laid down as a policy, which has been supported in other parts of the house and in other free countries, that we should not be hesitant about a protocol of this kind or about any aspect of policy in resisting communist aggression if we think that is the right policy. As he put it, I think he said we should lay down a line which cannot be crossed with impunity by any communist aggressor. Later in his statement he said we should make sure that everybody is going to keep the peace. In other words, nobody is to be permitted to cross that line. He said it should be made quite clear to a potential aggressor that if he tries to do so he will be met with the necessary strength to throw him back.

I must say that extremely decisive and definite policy has its attractions, but it also has its difficulties and indeed its dangers; because when you start on a policy of that kind—that we must lay down a line and

let a potential aggressor know that if he crosses that line there will be trouble—you are at once faced with an argument as to where that line should be and what exactly would be the type of action to be taken if the aggressor did cross the line, in the event that there is agreement on lines all over the world.

My own feeling, Mr. Speaker, is that while there are vital sectors of the front which if they are attacked must be defended, and where the attack must be met at once by collective and armed resistance, we would be getting ourselves into a great deal of trouble if we tried to extend and define those vital sectors, by agreement at this time, all over the world.

In supporting his view the hon. member for Peel suggested that in recent years we were in danger of falling victim to what he called a gigantic bluff on the part of communist imperialists. I think there is some truth in that suggestion, because naturally an aggressor of that kind would try to bluff in order to get his way inasmuch as it is sometimes cheaper to bluff than it is to fight. At the same time it is bluffing for extremely high stakes; and before we organize armed reaction against what we consider to be bluff, we had better be extremely certain that it is bluff; and we had better be certain in our own minds that, if it is not bluff, it is something we should accept as the gauge of battle. These questions are not easy to solve and they are not always easy even to define.

The hon. member for Peel asked me some questions about Germany's financial contribution to defence under the European defence community treaty. He was also preoccupied, as I am sure we all are, with the trade position between East Germany and West Germany. As to the first question, in the agreements we talked about this morning there are clauses which provide that Germany will make its proper contribution, in financial terms, to western defence; and that contribution at present has been established by agreement with the federal republic at 850 million deutsche marks a month—and that is a substantial figure—which will be provided under a formula which for the time being at least has been determined.

Mr. Graydon: What is that amount in dollars?

Mr. Pearson: It would be something between $2 billion and $3 billion, I think, for the first year. I am not sure of the exact figure.

Mr. Graydon: That is per year?

Mr. Pearson: That would be at the rate of 850 million deutsche marks per month until further arrangements have been made for the future. That is to be divided between a contribution for the upkeep of NATO forces on German territory and the building up of German forces for the European defence community.

As to trade questions, since May, 1948, the economic exploitation by the Soviet union of the east zone of Germany has become somewhat less thorough that it was previously, and that area is now developing along the normal lines of a Soviet satellite state. Trade between East Germany and the eastern European countries is increasing. In 1951 some 85 per cent of East Germany's trade was said to be with the Soviet bloc. On May 6 of this year the East and West German authorities signed a new agreement for an exchange of goods to the value of about $25 million. West Germany was to deliver steel, iron, metal products and chemicals in exchange for agricultural products, timber, fuels and textiles.

On the question of strategic materials—and some of these materials would seem to be quite strategic—there is general agreement among the free countries of the world not to export such materials to the U.S.S.R. and its satellites where these might increase the Soviet war potential. But that understanding in the case of a country like Western Germany must be considered in relation to the essential requirements of trade between the two parts of Germany, if West Germany is to remain stable and prosperous. It should also be considered in relation to the provisions of the United States mutual assistance act against the export of certain commodities to communist countries by countries receiving military, financial or economic aid from the United States.

Mr. Graydon: If I may, I should like to ask the minister a question. I am sorry to interrupt him and I do so only because this subject is extremely interesting. From the standpoint of the free powers and from the point of view of trade and the strategic movement of materials, is the border line between East Germany and West Germany now regarded as the line separating the iron curtain countries from the free powers?

Mr. Pearson: I would think it would probably be reasonable to conclude that this sinister but mythical iron curtain lies along the line between East and West Germany, with an island of freedom and democracy in west Berlin.

The hon. member for Peace River (Mr. Low) in his statement made some references to trade and economic questions. He warned

us against the reimposition of trade restrictions on Germany as a result of these agreements. He suggested that one of the reasons —and I do not want to misinterpret what he said—Germany had to break out in aggressive warfare in 1939 was on account of these trade restrictions, and that we should be extremely careful not to reimpose them on Germany at this time. All I have to say in regard to that suggestion, Mr. Speaker, is that if I am correct in my recollection there was no other country in Europe in 1939 which imposed tighter and more exclusive trade restrictions on itself and its neighbours than nazi Germany. I would echo the hope that that kind of trade restriction policy, which is always associated with the name of Herr Schacht, should not be restored or reimposed on Germany or indeed on any other country.

The hon. member for Rosetown-Biggar, who views this protocol and its implications and the developments which surround it with mixed feelings, as indeed I suppose most of us do, felt that in the discussion of these instruments and in the length of time the west has taken to bring them to signature, the Russians have exploited the situation to win a propaganda victory. I am not so sure of that, Mr. Speaker, because I have studied these exchanges, as hon. members have, and at least one Russian note has made it clear beyond doubt to the Germans and to the rest of us that the Russian price of German unity is a restored and rearmed Germany, with few restrictions on the use of its arms, and free except in respect of the right to join the west in a system of collective defence.

Mr. Coldwell: They have played up to the nationalism of the Germans.

Mr. Pearson: They have played up to the nationalism of the Germans, but they have made it quite clear to the Germans that the price of unification is a price that includes not only nationalism but a restriction on the German right to make arrangements with the friendly and democratic west. And far more important than this in unmasking the Russian aims, these Russian notes have made it quite clear to the Germans that the Oder-Neisse boundary remains. That is another price which the Germans would have to pay for the Russian type of unification, whereas in the exchanges between Adenauer and the west on these matters the three western powers have always been careful to make clear that the permanent boundaries of Germany should be among the matters reserved for final consideration and decision at the general peace conference.

The hon. member for Rosetown-Biggar said we should never be reluctant to negotiate with the Russians over Germany, or indeed over any other matter; that we on the western side, because we distrust their intentions and doubt their sincerity, should not refuse to discuss Germany with them. Up to a point I find myself in agreement with that position, as indeed I think the foreign ministers of other countries do. But it is one thing to agree to negotiate with the Russians on an agenda which is clear and practical, and which has previously been determined so that if you could not obtain results you could at least break off. It is something else to meet the Russians and to become involved in long propaganda discussions which on the Russian side would be used for the purpose of delaying ratification which I think now is probably the cardinal objective of their foreign policy.

Mr. Graydon: They want to get us on international tanglefoot.

Mr. Pearson: Possibly the western powers are wise in looking with some caution on these invitations to discussions. Nevertheless, having said that I should add as I said before that I hope it will be possible to press ahead with ratification and at the same time not refuse any reasonable and practicable offer for discussion.

The hon. member for Rosetown-Biggar emphasized that there were a great many sections of opinion in Germany and outside Germany who were worried about these agreements, and he felt that we should be very careful not to go ahead with them until we knew what the Germans themselves wished. I agree, but that is what we are trying to find out from now on. We are trying to find out what the Germans, the French, the British and the Americans, and indeed all the peoples concerned, do wish—especially the Germans. That is the purpose for instance of submitting these documents to the West German parliament for ratification.

When we talk about what the Germans wish, all we know now is that the government which is in control of Western Germany as a result of free elections has agreed to this policy, and that all the steps along the road to the signature of these treaties by the West Germans have been taken after discussion with Chancellor Adenauer and his government who do represent at the present time the West German people. If he loses their support and the parliament refuses to ratify these agreements, then everything is off and we have to start all over again. There is nothing that I can see to suggest that these documents have been forced upon a reluctant people, because every single legislature concerned with every single

document has to ratify it, and if one is unable to ratify any single document, then we must try to find a new approach to this vital problem of the association of Germany with western defence.

Mr. Graydon: I understand there are 47 separate ratifications.

Mr. Pearson: There will be a great many, and I think there is not much likelihood of any government being rushed into an action which it does not desire to take as a result of pressure from outside, or indeed pressure from minorities inside.

There is not much more I can add now to what has already been said, Mr. Speaker. I was very interested and impressed by the observations of the hon. member for Greenwood (Mr. Macdonnell) when he said, "We are not entering into this arrangement because we expect the Germans or anybody else to love us as a result of it." We must not fool ourselves in that respect. As a matter of fact, a few years ago a wise editor said: "Don't try to make your neighbour love you; it will only make him uncomfortable. Try to win his respect." I suggest that the best basis for developing the association of North Atlantic countries with Germany is the basis of mutual respect, and I think it is fair to say it is on that basis that these documents, including this protocol, have been negotiated. I agree that we need not force this situation, but I agree also that we should take advantage of it and this is the time to do so.

The hon. member for Peace River (Mr. Low) said that he would not be able to take the responsibility of approving this protocol because he did not feel that sufficient time had been given to consider it, and that he would leave that responsibility to me. Of course, Mr. Speaker, it is not any personal responsibility of mine; it is the responsibility of the government, and indeed it is the responsibility of parliament to accept or reject this resolution. But if it were my personal responsibility I would be very glad indeed to take it on this occasion because I think that, with all its risks, with all its difficulties, and with all its uncertainties this is a move toward peace, especially peace in Europe, and a peace in a Europe with which will be associated the free democracies across the Atlantic. Therefore if I were forced into that position I would not be reluctant to take this responsibility. But I would not be happy, as a Canadian, to take any responsibility for defeating a move so important, as I see it, to our own safety and to peace as the building up of the European defence community, including those two old opponents, France and Germany, and the association of that community with the strongest deterrent we now have to prevent aggression, namely the North Atlantic Treaty Organization.

Motion (Mr. Pearson) agreed to.

WAR RISKS INSURANCE

ESTABLISHMENT OF MARINE AND AVIATION ACCOUNT

Hon. Alphonse Fournier (for the Minister of Finance) moved the second reading of Bill No. 336, respecting marine and aviation war risks insurance and reinsurance agreements.

Mr. Macdonnell (Greenwood): Is the parliamentary assistant going to make a statement?

Mr. James Sinclair (Parliamentary Assistant to the Minister of Finance): Mr. Speaker, there is little I can add to the statement made by the minister on the resolution stage. This bill is intended to provide stand-by legislation so that ships, cargoes and aircraft can secure war risk insurance in the case of hostilities or even apprehended hostilities. The United Kingdom and United States governments have similiar legislation on their statute books.

This is a reinsurance scheme. The ship owners themselves have formed a mutual insurance company, the incorporation of which is now before the Senate. They will provide the needed skilled administration, and then the federal government will reinsure the risk. During the resolution stage the minister was asked a number of questions and perhaps this would be the best time to answer them.

First of all the hon. member for Greenwood (Mr. Macdonnell) asked about the rates. The minister at the time said the rate was not an accurate estimate of the losses because during the war, when losses from submarines were very high, the United Kingdom government which ran the pool at that time for British shipping of all descriptions deliberately held down the rate so the Germans would not get encouragement because of that. The rate fluctuated from 3 per cent up to as high as 7 per cent.

The hon. member for Greenwood also asked for figures on the actual amount of reinsurance which was undertaken by the British government during the war. At that time our Canadian firms took out such reinsurance through the British pools and through the British government. I have a table here; I can either place it on *Hansard* or give the net results. As far as ships were concerned, the net result was a profit, if you want to call it that—the United Kingdom ministry of transport describes it as total net premium revenue for ships—of £75 million; and on cargoes, £36 million. On the whole scheme they were £111 million to the good. Unfortunately they

could not provide us with a breakdown of those figures as they affected Canadian shipping.

Mr. Macdonnell (Greenwood): I understand it was said in the previous debate that the margin in connection with ships was sufficient to pay the losses on property in the United Kingdom.

Mr. Sinclair: That is not so. The property losses were covered by an entirely different insurance plan, as was done in this country. The next inquiry by the hon. member for Greenwood was about the United States scheme. Congress has now authorized the secretary of commerce to offer insurance or reinsurance against war risks for United States vessels. The arrangements are still under discussion with the shipping group which will form these pools.

The hon. member also asked the reaction of the private marine insurance firms to this scheme. Here in Canada we have three principal marine underwriters. The president of each of these companies has been informally advised of this reinsurance proposal in connection with the shipping sector and each has expressed himself as recognizing the necessity and desirability of this development. Of course no private insurance company will take war risks of this type. It was felt that the location of these facilities in Canada would be a help in the settlement of losses to Canadian ship owners. This scheme has been approved not only by the ship owners but by the Canadian maritime commission.

The minister was asked why we did not continue as partners in the British pool instead of going on with our own plans in the event of hostilities. I think there are three principal reasons for that at this time. First, by running such a pool of government insurance here in Canada it will permit the valuations placed on ships to be more in line with Canadian values. There was some trouble with Canadian owners during the last war in connection with settlements because the United Kingdom valuation of ships was quite a bit lower than Canadian valuations. That is certainly true today.

The second problem, and hon. members will realize that it is quite serious, is raised by the fact that Canadian ship owners would expect settlement in dollars. If they were working with a United Kingdom pool they might have some difficulty since the major part of its resources would be in sterling.

Third, Canadian ship owners themselves felt it was preferable to have the pool and reinsurance handled here in Canada close to their own head offices. The marine insurance people also agree with that because some of the claims made may be due to private insurance risks and settlement will be easier if both the war risk insurance and private insurance are a Canadian settlement.

One hon. member asked the connection between ship insurance and cargo insurance. This insurance does not relate only to cargoes carried in Canadian ships. In the end the cargo insurance may be the bigger field. A Canadian shipper may send cargo in a Belgian bottom and while the ship itself would not be insured, under this plan, the cargo could be.

Then the minister was asked what the aggregate liability will be. The ship owners who have so far signified that they would like to participate in this pool have shipping assets totalling at the present time $115 million.

Then it was asked: Why is an insurance scheme desirable since many other war risks are not insured? An insurance scheme is desirable because the premiums are accepted as a proper component of freight and cargo rates; and as Canadian ships will be used by shippers of other countries as well as by Canadians, an insurance scheme is a mechanism whereby the users of the Canadian fleet will bear the full cost of operating the fleet in wartime including the cost of losses by enemy action.

It was asked: Will the scheme be self-supporting? Our scheme is based very closely on the British scheme and, as I have said, they had a net revenue in the end of £111 million. It is planned to have a quarterly adjustment of the premium, as was done with the British scheme during the last war.

The minister mentioned the advantage of a reinsurance scheme as compared to direct government insurance, in that it would not require the setting up of any new bureau of government. The ship owners themselves, through their mutual insurance co-operative, are providing the skilled management which is necessary for marine insurance. Therefore the arrangement is beneficial both to the government and to the ship owners.

It will be noted that in the bill power is also given to enter into direct insurance arrangements despite the fact that reinsurance was found to be the best practice. That is intended to give authority, if it should be necessary, in connection with aircraft. Aircraft constitute a new field which was not covered during the last war by either the British or United States governments. If hon. members look back they will remember that international air lines were not developed to the extent they are now; as a matter of fact they were barely developed. There is

a difference between shipping and air transport. If hostilities should break out in Europe and four or five T.C.A. aircraft were there, they could be back in Canada the next morning. However, if Canadian ships were in Europe at the outbreak of hostilities they would be caught in those harbours without any insurance protection.

I think I have covered the principal points raised during the resolution stage. If it is desired I could place this little table from the United Kingdom ministry of transport on *Hansard*.

Mr. Speaker: Is it agreed that the parliamentary assistant have permission to place the table on *Hansard*?

Some hon. Members: Agreed.

Mr. Sinclair: The table follows:

(Figures supplied by U.K. Ministry of Transport)
U.K. Marine War Risk Schemes—World war II

	as at Mar. 31/52 (in million pounds)		
A. Ships	British hulls	Foreign hulls	Total
Premiums received.....	308	188	496
Claims paid or outstanding	284	137	421
Balance + or deficit — ..	+24	+51	+75

B. Cargo (All classes—to and from U.K. including cross voyages)

Premiums received	154
Claims paid and outstanding	118
Balance + or deficit — ..	+36

C. Total *net* premium revenue for ship and cargo insurance + 111

Mr. J. M. Macdonnell (Greenwood): Subject to one question I shall raise before I take my seat I think the parliamentary assistant, expanding what the minister said when we were at the resolution stage, has made very clear the need for some measure of this kind. He has explained that in the last war we relied on the facilities of Great Britain, and I think he has made clear the advantages which will accrue from being able to deal with the matter ourselves here at home. He has given certain interesting facts, and in particular has indicated the necessity of a measure of this kind by telling us that the private underwriters are not prepared to bear the risks of war. Of course it is perfectly clear that if war comes we must have immediately available some method of insurance whereby our ships can go to sea. He has given us a satisfactory reference to the attitude of the ship owners. On all that it seems that what the house has before it is prima facie satisfactory.

My objection to this legislation, and it goes to the whole root of the matter, is that this is not legislation at all but is merely permission to the government to legislate. What I mean is that we just have a couple of omnibus clauses—I will read them in a moment—which give the governor in council the power to do anything in connection with this whole area of our business life. I have tried to examine the corresponding British act. I have tried to follow the British legislation in the time available, and I have here the act of 1939. Subject to what the parliamentary assistant may say later, so far as I can discover their legislation, while it has been amended, is still outstanding; and compared with the measure now before us their act, while it does not go into a great deal of detail, does set out certain rights of the parties with very much more particularity than is the case here.

Indeed, this measure goes beyond what it seems to me we ordinarily find even in measures which give a great deal of power to the government; because I have noticed that the governor in council, in addition to being empowered to do various other things, is empowered in section 4 to define a lot of things. My recollection is that even in legislation which gives a great deal of power to the governor in council the tendency has been to have a pretty broad section defining certain things, which in itself is some safeguard. I shall now read the operative parts of sections 3 and 4, which I think really are the gist of the bill. The other clauses refer to dealing with money that comes into the minister's hands, to audit, to laying copies of agreements before parliament and so on, but the two operative sections are 3 and 4. Section 3 reads as follows:

> The minister may enter into an agreement, in such form and containing such terms and conditions as are prescribed by the regulations or otherwise approved by the governor in council, with any person or association of persons for the insurance or reinsurance by him against any or all war risks of (a) aircraft; (b) vessels; or (c) cargo.

I shall not read all of section 4 but it reads in part as follows:

> The governor in council may make regulations for carrying the purposes and provisions of this act into effect and, without restricting the generality of the foregoing, may make regulations . . .

And so on. I do not think I need to read the details because I think what I have read gives enough to underline the point I am making, namely that, as I said a moment ago, this is not really legislation at all. It is hardly an exaggeration to say that it merely

says to the governor in council: You go off and make any legislation you like. There are a few definitions of war risks, minister—they had to define him—and certain other things, and then we come to the two sections which, as I say, give the whole power to the governor in council which, practically speaking, means to the minister.

I am not going to labour the point. The point is there and is clear. It seems to me it is a most regrettable kind of legislation, and we are getting a great deal of it. I can understand the attraction of it. It is so easy to draw. I am sure it must be the delight of the draftsmen simply to say that the governor in council can make regulations and give ample power to the ministers. At this rate we will really get our legislation so abbreviated that it can all be put into a clause or two. Therefore, having made this point clearly, although perhaps not as fully as I might have done, I move, seconded by the hon. member for Souris (Mr. Ross):

That this bill be not now read a second time but that the subject matter thereof be referred to the standing committee on banking and commerce.

Mr. Donald M. Fleming (Eglinton): I should like to make an observation. It is quite clear from our experience with the reference of legislation to committees that legislation is in better form in most cases when it comes back to the house. Here is one case where a committee is likely to be very helpful in making recommendations as to the kind of legislation that parliament should adopt in a somewhat new field. What has been said by the hon. member for Greenwood (Mr. Macdonnell) is quite sound. After all the bill is an enabling measure. It does very little more than confer powers on the governor in council. We are not in wartime now. We want to provide for situations that, unhappily, may arise unexpectedly, but surely we are not in such a position that we need to pass blank cheque legislation of this kind. I urge the government to give serious consideration to the suggestion embodied in the amendment. I think my colleague has made a most helpful suggestion.

Mr. Sinclair: With respect to the observations made about the legislation conferring great powers on the cabinet to make regulations, if this were the type of bill that applied to the people of Canada by some compulsion such criticism would have some point, but it must be remembered that the bill is drawn up at the request of the ship owners themselves.

Mr. Macdonnell (Greenwood): May I ask a question?

Mr. Sinclair: Yes.

Mr. Macdonnell (Greenwood): Will there not be compulsion on ship owners?

Mr. Sinclair: No. Whether or not ship owners decide to join the pool is entirely a matter of decision for them. In the last war there were some ship owners who did not insure. They took a chance, although it was a very big chance. There is no compulsion on the ship owners at all. The Canadian Shipowners Mutual Insurance Company, the bill concerning which is now before the Senate, is a co-operative association to which they may or may not belong according to their desire. If the ship owners find that the government's terms are too onerous they can protest or withdraw. The government certainly does not intend to lose the taxpayers' money under this measure. The British record shows that they will not from that point of view.

The other thing is that stand-by legislation such as this, which is put on the statute books to be ready for use in case of need at the outbreak of hostilities, because of its very nature cannot be very specific. We do not know under what circumstances—we hope never—hostilities may break out. Let me direct the hon. member's attention to one clause. He mentioned the British act of 1939. Section 2 (f) (iii) of the bill covers a ship registered in any country designated by the governor in council, whether or not it is owned, chartered or otherwise controlled by a Canadian. One might say that these are extraordinarily wide powers because we can cover any ship whether or not it is owned or chartered by a Canadian. That is the consequence of the unexpected experience the British had at the outbreak of the last war with respect to the collapse of Norway. With the Norwegian merchant marine on the high seas the British took it over. Some of us can remember Churchill's famous declaration to the British people that if by any chance the island should fall they would fight on in the dominions across the seas, which would also involve such a transfer.

There is certainly no objection whatsoever to the bill going to the banking and commerce committee after second reading when the principle of the bill has been approved. That committee is sitting tomorrow, and we will gladly refer the bill to it.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, would it not be wise to have this go to the banking and commerce committee so we could have the

advantage of recommendations from that committee before the principle is dealt with? It does not seem to me that anything would be delayed by referring it now to the banking and commerce committee. Many of the questions could be answered very simply by that process.

It has been explained that this bill is actually being presented at the request of the ship owners, and that being the case it would be very easy to place before the committee the recommendations upon which such a bill was prepared. There would be an opportunity to question some of those who are pressing for a bill of this kind.

Before I finish what I have to say I would simply ask, now that the minister is here, if it could not be agreed that this bill be referred to the banking and commerce committee.

Hon. Douglas Abbott (Minister of Finance): As my hon. friend the leader of the opposition (Mr. Drew) knows, it is a very exceptional move to refer the principle of a bill to the banking and commerce committee. The usual practice is to refer the bill after second reading. The principle of this bill is that the government will provide enabling legislation to permit these clubs or associations of owners to obtain war risk insurance. I see no reason why there should be any departure from the generally accepted rule that the house should decide on the principle of the bill, and I would be quite happy to have it referred to the banking and commerce committee at that stage. However, it is only in the most exceptional circumstances that the house refers the subject matter of a bill to the committee. The government must take the responsibility for bringing in the bill and recommending the principle on which it is based.

I would suggest that unless there is some reason produced now which has not so far been produced, we should give the bill second reading. I understand that my parliamentary assistant has advised the house that we would be very happy to have the details of the bill referred to the banking and commerce committee where the maritime officials and others can appear and explain its provisions.

Mr. Drew: Before the minister came in the point that had been under discussion was the nature of this bill, not merely in so far as it applies to war risks as a principle, but also the principle of dealing with a measure of this kind by provision for such legislation by order in council. If it is clearly understood that the only principle that is accepted in giving this bill second reading is the principle of the adoption of a measure dealing with war risk insurance and that the form of the bill both in regard to the actual wording and the method by which it is to be put into effect—that is by order in council or a more complete statutory provision—remains open, there would be no objection to giving it second reading.

Mr. Abbott: The principle of the bill is that we are setting up machinery for war risk insurance. As to how wide the terms are, that is a matter for the banking and commerce committee to consider and make recommendations upon. I should think they would be quite free to do so.

Mr. Macdonnell (Greenwood): In the light of the statement by the minister I will withdraw my amendment.

Mr. Speaker: Is it the pleasure of the house that the amendment be dropped?

Some hon. Members: Agreed.

Mr. Speaker: Amendment withdrawn.

Motion agreed to, bill read the second time and referred to the standing committee on banking and commerce.

INDUSTRIAL DEVELOPMENT BANK ACT

COMMERCIAL AIR SERVICE

Hon. Douglas Abbott (Minister of Finance) moved the second reading of Bill No. 279, to amend the Industrial Development Bank Act.

He said: Perhaps I should make a brief statement with respect to this bill; and before explaining in detail the specific purposes of the bill perhaps it would be helpful if I were first to say a word about the industrial development bank itself and the record of its operations to date.

The house will recall that this bank was established under the authority of the Industrial Development Bank Act, which was passed on August 15, 1944. Section 34 of that act provided for its coming into force by proclamation, and the section empowering the bank to make loans and investments was not proclaimed in force until November 1, 1944. The bank has therefore been operating for a little over seven years.

The purpose parliament had in mind in setting up the bank was to fill what was believed to be a gap in the Canadian financial system. As everyone knows we have a highly efficient banking system, but it is designed primarily to supply short-term commercial

credit rather than credit for a long or even intermediate term. Furthermore, while it is possible for many industrial enterprises to obtain intermediate or long-term credit from other types of financial institutions, such as insurance companies or by floating bond or stock issues in the public market, there are other enterprises which because of their small size or because they have not a long record of satisfactory earnings or are not well known find it difficult and unduly expensive if not quite impossible to tap these sources of capital funds.

It was therefore to help fill this gap and make it possible particularly for small and moderate-sized enterprises to obtain funds needed to get under way or to finance expansion, that the bank was set up. To provide it with efficient management, it was established as a subsidiary of the Bank of Canada. It was given an authorized capital of $25 million to be subscribed by the Bank of Canada, and was also given the power to raise further funds up to three times the amount of its capital and reserve by the sale of bonds or debentures either to the Bank of Canada or otherwise.

Its president is the governor of the Bank of Canada, and it has a board of directors and an executive committee of the same membership as the board of directors and executive committee of the Bank of Canada. Its general manager is Mr. S. R. Noble, a former assistant general manager of the Royal Bank of Canada, and a man of long experience in the commercial banking field.

Under the act the bank is given power to extend financial assistance, in the form of loan or guarantee or purchase of stock, bonds or debentures, etc., to persons engaged in, or about to engage in, industrial enterprises in Canada: (1) if, in the opinion of the bank, the amount of capital invested or to be invested by the owners is such as to afford the bank reasonable protection; and (2) if, in the opinion of the bank, the credit would not otherwise be available on reasonable terms and conditions. An industrial enterprise is defined to mean a business in which the manufacture, processing or refrigeration of goods, wares and merchandise or the building, alteration or repair of ships or vessels or the generating or distributing of electricity is carried on.

There were some in 1944 who were sceptical of the need of such an institution and doubtful whether it would serve any useful purpose. There were others who were worried about the dangers of a state institution of this type making unsound loans and incurring heavy losses. It was realized, of course, that the type of lending activity which was envisaged would necessarily be attended with something more than the normal commercial measure of risk, but it was believed that it would be possible to maintain the bank on a self-supporting basis.

What has been the record during these past few years? Personally I think it is a record in which we have every reason to take pride. That record has, in my opinion, demonstrated the need for such an institution and has shown that the bank has been able to perform a very important public function and conduct itself on a self-supporting basis. There are, no doubt, questions of detail which may better be answered in committee, but perhaps I may illustrate the general conclusions I have just stated by reference to a few statistical facts.

Since the start of its operations and up to March 31, 1952, the bank has authorized 995 loans, investments or guarantees for a total amount of $75,322,971. As at March 31, last, there were 569 current authorizations for a net amount of $41,160,509. Total disbursements on loans and investments at March 31 amounted to $55,062,206, of which there had been paid back something over $13 million, leaving approximately $32 million still outstanding.

Of the current authorizations at March 31, last, 18 were for amounts of $5,000 and under; 241 for amounts from $5,001 to $25,000; 111 for amounts from $25,001 to $50,000; 98 for amounts from $50,001 to $100,000; 60 for amounts from $100,001 to $200,000, and 41 for amounts in excess of $200,000.

With the consent of the house, I would like to place on *Hansard* some tables giving the facts I have just summarized in somewhat greater detail and also giving a classification of loans, investments and guarantees by provinces.

Mr. Speaker: Does the minister have consent to place this table on *Hansard*?

Some hon. Members: Agreed.

Industrial Development Bank Act

Mr. Abbott: The tables are as follows:

CLASSIFICATION OF LOANS, INVESTMENTS AND GUARANTEES
MARCH 31, 1952

By Provinces	Authorizations to March 31, 1952*	Gross authorizations during first half fiscal year 1952	Current authorizations at March 31, 1952	Amount outstanding at March 31, 1952
	$	$	$	$
Newfoundland	250,000	250,000	250,000	.....
Prince Edward Island	107,000	36,000	90,000	29,475
Nova Scotia	1,110,106	27,738	671,182	440,500
New Brunswick	1,967,549	25,000	1,104,721	860,053
Quebec	27,006,600	2,115,939	21,461,562	13,048,982
Ontario	17,004,275	680,613	11,988,498	8,703,785
Manitoba	2,030,584	185,000	1,541,250	688,283
Saskatchewan	2,285,658	10,000	2,087,658	1,402,685
Alberta	4,496,384	1,471,000	2,616,200	1,127,096
British Columbia and Territories	8,728,312	631,676	7,238,476	5,554,887
	64,986,468	5,432,966	49,049,547	31,855,746

* Gross authorizations less cancellations and reductions of amounts authorized.

By Size	Current authorizations at March 31, 1952*	Number of credits
	$	
$ 5,000 and under	76,368	18
5,001 to 25,000	3,663,499	241
25,001 to 50,000	4,254,764	111
50,001 to 100,000	7,254,155	98
100,001 to 200,000	9,142,447	60
Over $200,000	24,658,314	41
	49,049,547	569

* Because of partial repayments on account of current authorizations the net authorizations were $41,160,509 of which those in excess of $200,000 totalled $22,335,864.

SUMMARY OF AUTHORIZATIONS, DISBURSEMENTS AND REPAYMENTS DURING FIRST 6 MONTHS OF FISCAL YEAR 1952 AND FOR THE WHOLE PERIOD OF THE BANK'S OPERATIONS TO DATE

MARCH 31, 1952	NUMBER	AMOUNT
		$
Loans, investments and guarantees authorized:		
November 1, 1944 to September 30, 1951	945	69,890,005
October 1, 1951 to March 31, 1952	50	5,432,966
Total	955	75,322,971
Less		
Cancellations of authorizations and reductions in amounts authorized:		
November 1, 1944 to September 30, 1951	165	9,744,330
October 1, 1951 to March 31, 1952	8	592,172
Total	173	10,336,502
Authorizations which have lapsed by reason of full repayment or write-off:		
November 1, 1944 to September 30, 1951	232	14,901,395
October 1, 1951 to March 31, 1952	21	1,035,527
Total	253	15,936,922
Current authorizations as at March 31, 1952	569	49,049,547
Reductions by reason of partial repayment or write down:		
November 1, 1944 to September 30, 1951	.....	6,903,696
October 1, 1951 to March 31, 1952	.....	985,342
Total	.....	7,889,038
Net authorizations as at March 31, 1952	569	41,160,509
Disbursements on loans and investments:		
November 1, 1944 to September 30, 1951	.....	50,620,824
October 1, 1951 to March 31, 1952	.....	4,441,382
Total	.....	55,062,206
Repayments and write-offs amounting to $136,000, on loans and investments:		
November 1, 1944 to September 30, 1951	.....	21,423,091
October 1, 1951 to March 31, 1952	.....	2,005,869
Total	.....	23,428,960
Outstanding as at March 31, 1952:		
Loans and investments	.....	31,633,246
Guarantees	.....	222,500
Total	.....	31,855,746

A great deal of additional information is given in the annual reports of the bank, which are made available to members of the house and which give full information in regard to losses experienced. I would call the attention of hon. members to the annual financial statements of the bank contained in these annual reports, and particularly to the statements of profit and loss. The last annual statement, for the year ending September 30, 1951 for instance, shows a balance of income after expenses for that year transferred to reserve fund amounting to $663,333, a total reserve for losses at the end of the year of $400,000, and a total reserve fund of $2,081,273. I might add that the bank in its operations has received excellent co-operation from the chartered banks.

I come now to the specific purposes of the present bill. The first purpose of the new bill is to give the industrial development bank authority to make loans or otherwise extend financial assistance to commercial air services operating in Canada in the same manner and

subject to all the other conditions under which the bank now assists industrial enterprises. Apart from Trans-Canada Air Lines and Canadian Pacific Air Lines, there are nearly 100 air transport companies using multi-engine planes or, at least, large single engine planes, in the operation of regular air line service in Canada. These companies provide a useful and in most cases essential commercial service in the transportation of persons and cargo in areas where other methods of transportation are either very slow or non-existent. After world war II the number and scope of operation of these companies expanded greatly. The companies were assisted in this expansion by being able to purchase a large number of war surplus aircraft at relatively low prices. For the first few years they were engaged in establishing their bases and ground facilities, inaugurating services and working up business in new territories.

The air transport board now reports that the need of these companies to replace old equipment and augment their holdings of first class modern aircraft has today become quite urgent, that substantial cash resources are required for this purpose, and that efforts to obtain such financing from banks, insurance companies and other private investors have in general proved fruitless. It is clearly in the national interest that companies which have been providing efficient services of the type I have mentioned should be able to continue operating their services with safe, high grade, up-to-date aircraft and engines. We are therefore seeking authority in the first amendment to this bill to enable the industrial development bank to provide long term or medium term credit which is not readily available from other sources.

Turning to the second purpose of the bill, I might remind the house that when the bill was first introduced in 1944 it contained no provision limiting the size of loans or the number of loans of any particular magnitude which the bank might make, though of course there was a provision limiting the aggregate liabilities of the bank to three times the aggregate amount of the paid-up capital and reserve fund. However, because of the fear of some members that on this basis the bank might have insufficient resources to make all the small loans that should be made, the bill was amended in the course of its progress through the house to include a provision limiting to $15 million the aggregate financial assistance that could be extended to borrowers in individual amounts exceeding $200,000. At the second session of parliament in 1949, after the need had become apparent, the limitation on such loans was increased from $15 million to $25 million. The bank has once more practically reached the new limit, the net outstanding authorizations in accounts over $200,000 being approximately $22 million. Authorizations for amounts under $200,000 total approximately $19 million. The number of accounts in this latter category is 528 compared with 41 in amounts over $200,000.

Having in mind that the potential lending authority of the bank is approximately $100 million, it seems clear that the amounts available for small borrowers will be ample to supply the demand for the foreseeable future, even if there is a substantial increase in the lending limit for accounts in excess of $200,000. The high level of natural resources development which has been under way for some years, and the financing of industries highly essential to the defence program, have both played their part in the increase in the bank's loans in individual amounts exceeding $200,000, and for the future there will be the probable necessity, as a result of the first amendment I have just outlined, of making some additional loans in this category to finance commercial air services. I believe it would be unfortunate if as a result of having reached its $25 million limit the bank found it impossible to give needed assistance to worthy Canadian industrial enterprises seeking intermediate or long term capital funds in this dynamic period of Canada's economic development. It is for that reason, Mr. Speaker, that we are introducing a bill to provide for the two amendments to which I have referred.

Mr. J. M. Macdonnell (Greenwood): Mr. Speaker, I have very little to say at this stage. There may be some questions we shall want to ask later. I think the minister is quite justified in saying that the bank has filled a need, and consequently I judge by the record that it has been prudently operated. I have no doubt the management of the bank, judging by the amount they set aside for reserves, have been reminding themselves they have been operating all these years in a boom, and that booms do not go on forever. I am not saying that in any sense of criticism of the management of the bank; it is rather to endorse it. So far as I am concerned, I think that the other questions I have can wait until we are in the committee, so I leave it at that.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Robinson in the chair.

On section 1—*Limitation on commitments exceeding $200,000.*

Mr. Macdonnell (Greenwood): There are one or two questions of detail I should like

to ask the minister. What is the staff of the bank, how many officers are there and how many loans were actually made last year?

Mr. Abbott: I think most of the information is in the annual report if the hon. member will give me a moment to find it. There is a great deal of detail in the annual report which the hon. member may not have had an opportunity of looking at. There is a breakdown giving the loans year by year. I do not know that I have information on the number of employees in the bank. I do not think that information is in the report.

Mr. Macdonnell (Greenwood): My reason for asking the question was that the information was not in the report.

Mr. Abbott: The table which I put on *Hansard* today shows a breakdown of current authorizations as at March 31, 1952, and they were as follows:

Amount of Loan	Number
$5,000 and under	18
$5,001 to $25,000	241
$25,001 to $50,000	111
$50,001 to $100,000	98
$100,001 to $200,000	60
Over $200,000	41

These loans total $49 million, as is shown on the table. I shall have to get the data as to how many of those were authorized during the current fiscal year, but of course that information is readily available.

Mr. Macdonnell (Greenwood): I would not like to delay matters for that.

Mr. Abbott: The table which I prepared and placed on *Hansard* I thought would give a great deal of the detailed information which the members of the house might want. Anything it does not contain, I shall be glad to get.

Mr. Macdonnell (Greenwood): One notes how little in percentage or in numbers of the loans went to comparatively large borrowers. That is to say, from the point of view of the operation of a bank $200,000 is not a very large loan, but I wonder if the minister could say what the management has found with regard to the small loans as against the large loans. I take it from the words "industrial development" they are all business loans, even the smallest of them, which were given to various types of businesses. Can anything be said, and is there anything to be gathered from it, as to the assistance this actually is to small businesses? The minister may reply that, relatively, it is all small inasmuch as even $200,000 is not a big loan as business goes, but I would ask the minister if there is any information available concerning just how far it is being made use of by the really small businesses. The number of loans to small people is perhaps not as large as one might have expected.

While I am on my feet I might digress for a moment to speak about the decision to make loans available to air enterprises, the reasons for which I can understand and which I applaud. The management may find that it is easier to make losses there than it has been in other cases. To come back to my first question, can the minister say anything as to the performance of the bank and the results they have found in the really small cases, by which I mean under $25,000 or a good deal less than that?

Mr. Abbott: I have no detailed breakdown. From discussions with the chairman of the bank I know that the experience of the bank over the last seven years has been exceptionally good. Of course, as my hon. friend pointed out, the bank has been operating in relatively prosperous times. Naturally with several hundred smaller loans the losses in numbers there have been greater than they have in the somewhat larger loans. But so far no serious losses have been sustained by the bank.

Mr. Fleming: May I ask the minister what interpretation is put on the words "commercial air service"? Does it include every form of air service that is for hire, whether it be passengers, freight, express or mail? Is every form included? For instance, is this broad enough to include Trans-Canada Air Lines or Canadian Pacific Air Lines?

Mr. Abbott: It would be broad enough to cover those, but of course it is not contemplated to make advances to those concerns. This is the language which was recommended by the air transport board from whom the first suggestion came that it might be desirable to look at the Industrial Development Bank Act to see whether financial assistance might be made available or whether loans might be made available through that bank to meet this real need of the smaller commercial cargo and passenger transport lines. The larger lines have no difficulty in arranging their financial requirements. In the case of Trans-Canada Air Lines they do not need to go to the industrial development bank.

Mr. Fleming: They come here.

Mr. Abbott: They finance as in the case of the Canadian National Railways under the bill we shall be considering a little bit later. But the situation is difficult for small commercial air lines, and this is to meet that need. The loans here will have to meet the test of being business loans, but it is to cover a field in which at present loans are not available from other sources.

Mr. Fleming: It represents something of a new departure, as I understand it. Hitherto when the industrial development bank has been making loans and taking security, in practically every case it has been on the security of real estate plus equipment. In the case of loans now made enabling a commercial air service to purchase planes, it means taking a different type of security. In view of this experience will there be any real estate to take a mortgage on? It will be equipment and a chattel mortgage in practically every case.

Mr. Abbott: It may take some form of bond issue or debenture, on the security of the planes, which would be covered by insurance of course. That would be the usual requirement there.

Mr. Fleming: My other question relates to a later subsection as much as to this one. In the proposed increase from $25 million to $50 million proposed in subsection 2 of section 15 of the act, how much of that sum is it expected or estimated will now be required for the purpose of making loans to cover air services and how much to enterprises within the scope of the act?

Mr. Abbott: So far as I am aware, Mr. Chairman, no estimate has been made as to what would be required for any particular type of enterprise. But as I indicated in my statement, we are so near the limit—authorizations are now close to $22 million—that it is quite clear that if two or three desirable loans came along it might develop that it would be impossible to make those loans without the amendment which is proposed here. But so far as I am aware no attempt has been made to estimate how much should be in ordinary industrial enterprises and how much in loans to commercial aircraft companies.

Mr. Fleming: How did the government arrive at the figure of $50 million in shaping this amendment?

Mr. Abbott: The government did not arrive at it at all. That was suggested by the banking and commerce committee when the bill was first before it in 1944. As I pointed out, originally there was no limitation. Then in the banking and commerce committee, when the present bill was under discussion, there was some suggestion that if no limit was placed on the amount, having regard to the original purpose of the bill to cover cases of small, limited-size enterprises, there might not be enough money for them. Therefore a limitation was put in. In the event it has been proved, of course, that there has been ample.

Mr. Fleming: That is the $25 million.

[Mr. Abbott.]

Mr. Abbott: It was $15 million first. Then it was increased in 1949 to $25 million. Now the suggestion is that it be increased to $50 million.

Mr. Fleming: I wondered how you happened to arrive at $50 million.

Mr. Abbott: I can say frankly that it seemed to me that was all we probably should need; at least, it is all we could possibly contemplate in the immediate future. We increased it from $15 million to $25 million two or three years ago; and we are now up to the limit. It seemed to me that it would be just as well to increase it to $50 million because it is quite clear that there is no real prospect of a shortage of funds available for the small and medium sized loans.

Mr. Low: That will only go about as far as the $25 million anyway.

Mr. Abbott: No comment.

Mr. Macdonnell (Greenwood): Can the minister give any indication as to what is contemplated with regard to raising whatever extra money is necessary? My recollection is that liabilities now are practically all in the form of capital stock. Is that correct? There is a small amount of debentures.

Mr. Abbott: Capital stock and loans from the Bank of Canada.

Mr. Macdonnell (Greenwood): What is proposed as the means for raising further money? Will there be any disposition to spread it out by issuing debentures and getting it from the public?

Mr. Abbott: Under the terms of the bank charter it is certainly possible to do that; but up to the present time it has not been considered advisable to do it. There is no reason why it could not be done. The moneys have been available from the parent company, that is the Bank of Canada.

Mr. Herridge: Like the hon. member for Greenwood I was interested in hearing from the minister how the bank was serving smaller industries and smaller businesses. I rose particularly to ask this question. If I heard the minister correctly, I think he said the purpose of the bank was to provide funds for industry and commerce and things of that type that normally might not be able to get that type of credit from the private banks.

Mr. Abbott: Not from the private banks; from private financial institutions generally.

Mr. Herridge: From private financial institutions generally. The question I wanted to ask is this. Is it the policy of the bank to make to any industry, for the purpose of

expanding plant, loans from the funds of the bank if the industry is already borrowing money from private banks?

Mr. Abbott: Oh, yes. It is normal practice for borrowers who borrow from the industrial development bank to have obtained their ordinary commercial current banking requirements from the commercial banks. The type of loan which the industrial development bank makes is the medium or long term loan, a loan say for five, ten or even fifteen years. The loans which the ordinary commercial enterprises get from the commercial banks are loans which in the ordinary course would be paid off within six months or a year.

Mr. Macdonnell (Greenwood): I suppose it is asking the minister to venture into the realm of prophecy to ask how much new money they will need; but I am coming back to the question I asked a moment ago. I take it that at a certain point, as to the raising of new money, if it is taken even from the Bank of Canada, indirectly in the end, it comes back from the taxpayer. While that raises other questions that I am not going into now, I should be interested to know whether the minister would see any objection in principle to the bank availing itself of the opportunity of getting a considerable amount of money by borrowing. I should be interested to know whether the minister sees any objection in principle to that procedure. In the case of the ordinary commercial bank I think there would be objection. I would not think it was a sound thing for a commercial bank to get money which it borrowed in that way. I would think it ought to have capital at risk. But with a bank of this nature it does not seem to me that point arises. My point is this. Does the minister see any objection in principle to the bank availing itself much more liberally than it has of the right to issue debentures, because I think there is about a million out.

Mr. Abbott: Personally I see no objection to the principle at all. I think it would be a question of business judgment. If the management of the bank believed they could borrow this money; if the Bank of Canada was willing to lend that money to its subsidiary at a certain rate—I will not mention the rate—and if it were going to cost them 1½ per cent or 2 per cent more to get it from the public, the management of the bank might well feel that they should borrow at a lower rate. But directly answering my hon. friend's question, I would see no objection in principle whatsoever. In fact it might even be desirable in certain circumstances.

Mr. Macdonnell (Greenwood): That raises this question. Is there any information available as to the rate the bank does charge? Is it a flat rate, or does it vary more or less with the rates of the commercial banks, or does it not?

Mr. Abbott: The interest rates would be related to going commercial rates. The rates, for obvious reasons, are slightly higher in the case of the smaller loans because of the expense of servicing them, and they are slightly lower in the case of the larger loans. I do not know that I have available, or whether it would be proper to indicate, the exact rates that are being charged.

Mr. Low: And the general type of security?

Mr. Abbott: And the general type of security.

Mr. Laing: As a British Columbian I want to congratulate the minister on introducing this amendment to the Industrial Development Bank Act. We in British Columbia think this is a most important amendment, having to do with commercial air services. We are particularly interested in this aspect for this reason. We have quite a number of commercial air firms in the province of British Columbia whose experience has been identical with that mentioned by the minister based on the report from the air transport board. They came into the picture after the war. Some of them were organized by young men who had returned from overseas. They bought up surplus planes. They have given an excellent and an expanding service in the province of British Columbia, and are doing so at the present time. They are vital to the many great undertakings along our coast both from the point of view of air freight and the transport of workmen to various points along the coast. They now find that their equipment is wearing out and they are in a difficult financial position because of the fact, as the minister has explained, that they find it difficult to obtain financial assistance from the ordinary sources.

This is a most important amendment that the minister has suggested. It will be of great benefit to us in the province of British Columbia. I see the hon. member for Comox-Alberni (Mr. Gibson) in his seat. I know he will agree with me, and I should like him to say a word, if he feels like it, because this is most important for us in British Columbia where these firms have done a magnificent job.

Section agreed to.

Preamble agreed to.

Title agreed to.

Bill reported.

Mr. Speaker: When shall the bill be read the third time?

Mr. Abbott: Now.

Mr. Knowles: By leave.

Mr. Speaker: I have already expressed my opinion on the right of the hon. member to say "by leave".

Mr. Knowles: It is correct to say that Your Honour expressed an opinion on it. But you did not rule on the point, did you, sir?

Mr. Speaker: I have expressed my opinion; that is all that I said.

Mr. Knowles: I will reserve my speech until you do reach the point of making a ruling.

Mr. Abbott moved the third reading of the bill.

Motion agreed to, bill read the third time and passed.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

PRIVATE BILLS

BOUNDARY PIPELINE CORPORATION

The house resumed, from Friday, June 13, consideration in committee of Bill No. 62, to incorporate Boundary Pipeline Corporation—Mr. Larson—Mr. Beaudoin in the chair.

On section 1—*Incorporation.*

Mr. Fulton: Mr. Chairman, the first thing I want to say in continuing the discussion of section 1 of this bill is by way of congratulation to the sponsor. According to page 18 of today's order paper it would appear that the sponsor of this bill is in perhaps a unique position in the history of private bills in this house. Not only is his bill the first on the order paper; it is the only item appearing there. I have tried for many years to have bills or resolutions in which I was interested come to the top of the list, and I think on only one occasion a resolution of mine came up for discussion; and although it may have been at the top of the list, it was not the only one on the list. I think the hon. member for Kindersley deserves our hearty congratulations upon having arrived in this unique position.

When I spoke on Friday night on this clause I was discussing some of the reasons some of us are opposed to this bill and feel that the group of gentlemen seeking incorporation for the purpose of transporting gas from Alberta to Winnipeg and thence south into the United States should not be granted a charter. The main reason I think a charter should not be granted is that if a charter is granted and the company incorporated and gas exported in the manner indicated, it is a certainty that Alberta natural gas will never reach Ontario and Quebec.

I think there are other reasons which should occur to all hon. members of this committee why this charter should not be granted at the present time. These reasons emerge from the latest decision of the board of transport commissioners with respect to an application by another company, Westcoast Transmission Limited. Your Honour is probably as familiar as I or any other member with the reasons for the decision given by the board in that case. It will be remembered that the board said that although they favoured the application of Westcoast Transmission Limited over the application of any other company seeking to export Alberta gas to British Columbia and the Pacific northwest, nevertheless they felt that before they could give approval to the application—in case you are uneasy, Mr. Chairman, that this is sub judice, may I say that the board has handed down its decision—they felt it was necessary to conduct an independent inquiry into the question of the gas reserves available in Alberta.

The Chairman: If I am uneasy about anything it is about the fact that the last time the hon. member spoke for 38 minutes, and he has spoken tonight for more than 2 minutes.

Mr. Fulton: Your Honour is keeping better track of my time than I am, and I shall conclude my remarks immediately by saying that if the board of transport commissioners felt that before they could give final approval to an application to export gas they should reserve their decision because there was a question as to whether there were sufficient gas reserves to export to the Pacific northwest, then there must surely be the same question with respect to an application to export gas to the east.

Another main reason hon. members, particularly those from western Canada, should be opposed to this application is the fact that the *Financial Post* of June 14, published in Toronto—I know this will interest the hon. member for Fraser Valley—contains an editorial condemning the efforts of those who are opposed to this application. We in western Canada have always said that if the *Financial Post* was opposed to anything, that was a good thing to favour. If the *Financial Post* is opposed to the efforts of those of us who seek to prevent this company getting a charter I am reinforced, if I needed any

reinforcement, in my decision to continue the present course which is unalterably in opposition to the application presently before the committee.

Mr. Browne (St. John's West): Mr. Chairman, on a previous occasion you stated that this bill had been under consideration in the committee for about eight hours, and I imagine at least another hour has been added since then. It is an important measure, being one of a series of applications that have been made to the house during the past three years dealing with a natural product of the province of Alberta which is likely to bring that province great prosperity.

Hon. members may wonder why I am interested, coming as I do from a province where we cannot expect ever to have a pipe line. Unless they invent some new way of transporting natural gas we shall never have any of it down there from Alberta. But we believe that what is going to make Alberta prosperous is going to make the rest of the country prosperous, and we hope to benefit indirectly. Everyone in the house and in the country is interested in seeing that the best possible solution is found for the transportation of natural gas from the locations where it may be discovered.

This bill was first introduced in the other place; it came to this house about March 13 and was then sent to the committee. I happened to be a member of the committee that dealt with that subject, but I was able to attend only one meeting. On account of the Easter vacation and not getting back in time I was not able to attend the other two meetings which were held immediately after the recess.

The bill before us is brought in by a firm of solicitors representing five gentlemen from the city of Regina, three solicitors and two businessmen, who are seeking incorporation by means of a statute. In other words they are looking for concessions from the government which are not available to ordinary persons without the sanction of parliament. They are desirous of getting authority to transport natural gas from the province of Alberta to the provinces of Manitoba and Saskatchewan at the present time, and if other resources are discovered in the adjoining province of Saskatchewan they want the authority to transport the gas from there to the United States. Their intention was disclosed at the first meeting of the committee I attended, when it was stated that they wished to have authority to transport gas or oil through the provinces of Alberta, Saskatchewan and Manitoba and outside Canada.

At this point I should like to draw attention to a statement by the hon. member for Springfield the other evening, when he praised the hon. member for Fort William for introducing an amendment in the committee which he thought would preserve the natural gas for Canada. The amendment, as read by the hon. member for Springfield, is as follows:

> That paragraph (a) of clause 6 be amended by inserting after the word "lines" in line 23 thereof the words: Provided that the main pipe line or lines for the transmission and transportation of gas and oil shall be located entirely within Canada.

The hon. member for Springfield approved of this amendment, which was debated at some length in the standing committee and which has no merit whatsoever because the main line must be in Canada even if the gas is going to be sold across the border in the United States. It was practically admitted in the committee by the sponsor of the bill that the gas would be brought as far as Winnipeg and from there down to the United States border where a connection would be made with the line of a United States company sponsored by the same people who are behind this legislation. Therefore I think the hon. member for Springfield was wrong in the praise he gave the hon. member for Fort William for introducing that amendment which in my opinion, and I believe in the opinion of many members of the committee, has no effect so far as the route to be followed in the transportation of the gas is concerned.

The principal witness before the standing committee was a Mr. Herring of the Fish Engineering Corporation of Houston, Texas. This gentleman is undoubtedly a very clever engineer and was an excellent witness before the committee. He told us that his company was interested in building the line and that they had a lot of experience. Mr. Herring said, as found at page 12 of the report of the proceedings of the committee:

> We have been very active in the Alberta gas picture, both with this company and with the Prairie Company, as mentioned by Mr. Green—and may I pause to qualify our company one step further. We as a company have built three of the major gas pipe lines in the United States, including the transcontinental gas pipeline system from the Mexican border to New York City; the line from Texas to Chicago; and Mr. Fish, president of the company, built, as vice-president of the company, the Tennessee Gas Transmission Company, which is the largest operating company of its kind in the field today.

It seemed to me that this man was very experienced and well qualified to construct a line, and certainly knew a great deal more about the business than most members of the committee. But there was a gentleman who was a member of the committee, the hon. member for Calgary West, who showed his great knowledge in the examination of this witness. It was not surprising that the hon.

member for Calgary West and the witness from the Fish Engineering Corporation should get into a private discussion that eventually bored the rest of the members of the committee. I think the discussion became too technical for most hon. members, and eventually the hon. member for Iles-de-la-Madeleine suggested that enough evidence had been produced and that we should not have any more witnesses. As a result the committee then finished its work very promptly.

As hon. members know, this is only the first in a series of steps that may take years in order to obtain the right to transport gas from the province of Alberta. It might be worth while to draw attention to the peculiar fact that the principal resources of this country apart from wheat—and I suppose you might even say it of wheat—are located at considerable distances from the markets they are supposed to serve. Wheat has to be brought long distances to get to the best markets. The iron ore mines of Newfoundland and the new iron ore mines in the Ungava on the Quebec-Labrador boundary are both long distances from the markets where the product sells best. For many years Newfoundland sold its ore in Germany, Rotterdam and the United States, its nearest market being in the province of Nova Scotia.

Similarly, the coal fields of Nova Scotia and Alberta are long distances from the markets. Although the province of Alberta is certainly blessed by its discoveries of oil and gas the province is sparsely populated and the neighbouring provinces have no very large cities. Therefore it is necessary for companies to be formed with huge amounts of capital to transport gas and oil to places where they can be sold profitably. It costs enormous amounts of money to build pipe lines to transport gas or oil to the markets. After this bill has passed this house the company has to be formed, and in this respect it is worth noting that the sponsor—I do not mean the hon. member for Kindersley but Mr. Herring, I think it was, or Mr. MacTavish, the solicitor—stated in the committee that up to the present time they had only spent $25,000. In other words they have not really spent any money on exploration or anything of that kind. In fact Mr. Herring told us that it was not their function to engage in exploration. What they proposed to do was merely buy the gas from Pincher Creek or some other area where gas is plentiful, and then transport it. Therefore they had not spent very much money and would not proceed to spend money until they had secured a charter and could make a contract with somebody who had gas to sell.

After they have their company formed they then have to make application to the Alberta gas and petroleum conservation board. It may be a long time before that application could be heard, and it is very unlikely that it would be granted. In this respect I should like to draw the attention of members of the committee to the *Financial Post* of April 26 where an account is given of the application of the Westcoast Transmission Company for the right to export gas from the northern section of the province of Alberta and the Peace river district across the Rocky mountains to Vancouver and thence to the northwest part of the United States. That company has been incorporated for a couple of years, and it is only now that it has secured permission from the Alberta board. But that permission was not the final step, because they then had to make an application to the board of transport commissioners, and it was only yesterday morning that the judgment of the board of transport commissioners was published in the Ottawa *Citizen*. Judgment was given on Saturday, and it was stated that the board of transport commissioners gave conditional approval—mark that, "conditional approval"—to the Canadian section of a proposed $111,240,000 pipe line to carry the first natural gas into southern British Columbia and the United States Pacific northwest.

This report goes on to say:

> Final approval of the application by Westcoast Transmission Company Limited of Calgary depends on an independent check by the board of the adequacy of the company's available gas reserves in the Peace river areas of British Columbia and Alberta.

The board had under consideration three applications from other companies to build natural gas pipe lines in western Canada, but shelved the other two applications.

That was the experience of the Westcoast Transmission Company after getting permission from the Alberta government. They had to appear before the board of transport commissioners, and the board of transport commissioners gave them only conditional approval. It must be remembered that the Alberta government, though believing there is a great quantity of natural gas in the province, is still not willing to allow export except by Westcoast Transmission.

In his evidence Mr. Herring said he was only going to build a small pipe line. His evidence was to the effect that he would only build a small pipe line because he did not think the province of Alberta had sufficient reserves to justify a large line. The pipe line

he proposed to build was a 16-inch line and a larger pipe line might be as big as 24 inches.

The reserves of natural gas in the province of Alberta have increased very considerably following the intensive search for gas and oil that has been going on during the past five or six years. The story of the discovery of oil and gas in Alberta is one of the most fascinating stories of industrial enterprise in the history of the world. It is only five or six years ago that this oil was discovered in the Leduc area. I see the hon. member for Fraser Valley is shaking his head. I do not know whether he is shaking his head at what I have said or—

Mr. Cruickshank: Pardon me; it was because of some foolish remark by one of my neighbours here.

Mr. Browne (St. John's West): If it was in reference to the statement I made, I might say I was aware of the earlier discoveries and the work that has taken place in the Turner valley section of southern Alberta.

Mr. Harkness: Still one of the major fields in Alberta.

Mr. Browne (St. John's West): Yes, but nothing compared to the discovery in 1946 in the Leduc area.

Mr. Harkness: Oh, yes.

Mr. Browne (St. John's West): However, the oil and gas companies in the United States and of course our own Imperial Oil Company became tremendously interested and have carried on intensive investigation and exploration ever since. It is certain that the grant of permission by the Alberta natural gas conservation board to the Westcoast Transmission Company to transport gas from the northern part of Alberta will bring about more intensive search up there, because that is the area which is said by the Alberta government to be best protected as far as reserves are concerned. Companies will probably carry on more work there than in other parts of the province.

Reserves three years ago were supposed to be 1½ trillion cubic feet. By now the figure has risen to 6·8 trillion cubic feet; yet the Alberta government does not feel satisfied that it has sufficient reserves in all parts of the province to provide for industrial development which they feel might outstrip discoveries of gas during the next thirty years. Mr. Herring of the Fish corporation stated that he did not think they would be justified in giving permission for a large pipe line to be brought to Ontario and Quebec if they only had the amount of reserves they said they had; but it seems to me that Mr. Herring in saying that was putting a spoke in the application of Trans-Canada Pipe Lines, which has already been incorporated and which is prepared at an expenditure of $220 million to build a pipe line from the province of Alberta through the two provinces of Saskatchewan and Manitoba, across the head of the lakes, down to Toronto, Montreal, and even Quebec.

The chief argument that has taken place in connection with this application seems to me to be based upon whether it is preferable to have that great company put in a large pipe line which would be sufficient to supply the needs of the central provinces where the great industrial centres are situated, or to give this applicant the right to transport gas to the two neighbouring provinces where there are no such great enterprises as now exist in Ontario and Quebec. I think the house will have to make up its mind which it prefers.

What other companies are interested in this transportation of gas? In addition to Trans-Canada Pipe Lines there is also Western Pipe Lines which, according to the April 26 edition of the *Financial Post*, would draw gas from Pincher Creek and other southern Alberta fields and pipe it eastward to Saskatchewan and Manitoba communities and then southward from Winnipeg to tie in with large indicated markets in northern Minnesota, which is the same idea that is contained in the bill before us.

Trans-Canada Pipe Lines is a subsidiary of Canadian Delhi Oil Limited, who are backed by Delhi Oil interests in Texas. They plan a $220 million pipe line from Alberta across the prairies. This proposition would use some 385 million cubic feet of gas daily. This would be the longest natural gas pipe line in the world, running more than 2,000 miles over an all-Canadian route. Canadian Delhi is busy proving up gas fields, and has had considerable success this summer. The line would likely take gas from Pakowki lake and/or Pincher Creek fields if there was a surplus, and from Princess and Cessford fields at the eastern edge of Alberta.

However, that company was refused permission to carry gas from Alberta because the government of the province did not consider there were sufficient reserves. Before the board of transport commissioners on Saturday the applications of these two companies I have just mentioned—Western Pipe Lines and Trans-Canada Pipe Lines—to carry gas eastward from the Pincher Creek field were adjourned indefinitely. The board indicated that the applications could be reopened if Alberta reversed a recent decision and permitted the companies to export gas from the province. The report went on to

say that Trans-Canada Pipe Lines planned a pipe line to Ontario and Quebec. Western Pipe Lines proposed to pipe Alberta gas to Winnipeg, Minneapolis and St. Paul, which was an extension of what had been said earlier about bringing it into Minnesota only. Mr. Justice John D. Kearney, chief commissioner, said the board would hold up final approval of the Westcoast application until the board investigates whether gas reserves in the Peace river area are adequate. He noted that the board and the United States power commission have a "common concern" in the adequacy of reserves, and indicated that a co-operative survey could be made.

Westcoast Transmission is sponsored by Pacific Petroleums of Calgary, which has promised to supply half of its natural gas. The company has claimed that the Peace river gas fields, almost equally divided between British Columbia and Alberta, hold 2·2 trillion cubic feet of gas reserves with another trillion of probable reserve. This is supposed to allow for the demands of the market for over twenty years. It will be seen, therefore, that with this and other companies interested in obtaining permission to export gas, the gas will not be obtainable from Alberta, which has said "We have not sufficient reserves to permit any more gas to be exported. We will allow this gas to be exported from the northern part of our province because there is very little industry up there at the present time, and we feel there are sufficient reserves in that area to supply its needs for a long time to come. In the southern part of the province, however, we have not sufficient reserves; therefore we are not going to allow any export."

We have to consider as a committee, therefore, what is the purpose of granting this company the right to transport gas when there is little likelihood, according to these judgments, that the company will be able to obtain permission to transport the gas. On the other hand, it might be said, what harm is there in letting the company go ahead? A few years ago the politicians in Ottawa and Alberta would have been tumbling over each other if there was a company in sight looking for the right to develop, at its own expense, the natural resources of a province. We have reached such a stage in this country today, however, that we are very choosy about whom we want to develop our resources. We think this company is not in the best position to develop those resources. There are other companies in the field with prior rights, and they are in a position to do it. There is no need for this company.

I do not know, Mr. Chairman, whether there should be any arbitrary limit put on the number of companies that might be allowed the right to export gas from the province. When you look at the reality of the situation, with the Alberta gas and petroleum conservation board being so particular about granting permits, is there any likelihood of that board giving this company permission when there have been two other companies in the field ahead of it who have made application?

There was another argument used in this debate, and I do not know whether or not I would be considered out of order in talking about it. It concerns the fact this company made no secret of its intention to transport gas outside of Canada. The other company, Trans-Canada Pipe Lines, intends to follow an all-Canadian route from the province of Alberta about 2,000 miles across Canada. This company, therefore, should have preference over one whose avowed intention is to transport gas to the United States border and sell it in that country. One may look at that whichever way one likes, but there is no doubt from what we have heard here and in the committee that the provinces of Ontario and Quebec are very anxious to get what natural gas they can. It has been said that an exchange could be arranged by having gas from Canada taken into the northwestern and central United States in exchange for gas which would come through Detroit or Buffalo into Quebec and Ontario. Some mention has been made of that possibility. Are we to say that this company should be favoured on that account?

It seems to me reasonable that if some exchange of that sort could be arranged it would be desirable, because we might save the tremendous expense of bringing gas such great distances across the country. This company, Trans-Canada Pipe Lines, seems to be in a position to finance such a project once it obtains permission to get gas. I do not know how other hon. members feel, but it seems to me that Trans-Canada Pipe Lines Company offers the better proposition. While no great harm can be done by granting permission for the incorporation of this company, it hardly seems likely that such a company would receive consideration from the Alberta conservation board or from the board of transport commissioners.

Mr. Blackmore: Will the hon. member permit a question?

Mr. Browne (St. John's West): Yes.

Mr. Blackmore: I have gained the impression from the hon. member's remarks that he has the impression that the Alberta conservation board's action is more or less arbitrary. The board's concern is that no uneconomic development should take place. It would be

a most unfortunate state of affairs if too many companies obtained the right to carry gas from Alberta, thereby destroying or impoverishing the supply so that all these companies would lose heavily.

An hon. Member: What is the question?

Mr. Blackmore: I am coming to it. It is not in the best interests of the companies themselves for too many companies to get permission to export gas. They would be depleting the source of supply, and eventually they would be losing money.

Mr. Browne (St. John's West): Will the hon. member permit a question? I am wondering what your question was.

Mr. Blackmore: I was leading up to the question. Is the hon. member aware that it might not be in the interests of the companies themselves, the province of Alberta or the country as a whole if too many companies obtain permission to export gas?

Mr. Stick: On a point of order, Mr. Chairman—

The Chairman: Order. The hon. member for Trinity-Conception rises on a point of order.

Mr. Stick: May I ask who has the floor, because I cannot listen to two gentlemen at the one time?

The Chairman: I believe the hon. member for Lethbridge has asked his question.

Mr. Browne (St. John's West): I understand the hon. member for Lethbridge is asking me if I do not think the Alberta government is considering that it might not be in the interests of the province or the country to have too many applications granted. I do not know whether the hon. member is referring to applications to parliament or applications to the conservation board of Alberta?

Mr. Blackmore: The reference is to the Alberta conservation board. The hon. member has used the word "choosy". I think perhaps "choosy" was not fortunately chosen. "Choosy" would seem to indicate that the board was discriminating, but it is a question of using the resources which are available and not permitting any uneconomic developments until there is an assured supply.

Mr. Browne (St. John's West): Well, Mr. Chairman, I have read a good deal on this subject during the past week or so; I have followed the proceedings of the committee, and I am aware of the attitude of the Alberta government. It seems to me they are extremely cautious. Certainly the province is prosperous at the present time as a result of the tremendous flow of capital into it arising out of these discoveries and the subsidiary industries that have been established. They can afford, therefore, to pick and choose between applicants. I am not so sure that the province is considering to any great extent the interests of the particular corporations or companies that are making these applications. I am inclined to believe they are thinking only of the best interests of the province; and indirectly, I suppose that would be the best interests of the country. But certainly I do not suppose they are greatly concerned with the effect upon the fortunes of the company of any refusal they might give.

No; this is a business proposition. The people from the city of Regina who are making this application are lawyers and businessmen who are certainly well aware of the chances they are taking when they ask to have this company incorporated. In the present state of development of the oil and gas business in the province of Alberta, and the probability that it will spread to a considerable extent into the province of Saskatchewan, they feel they would be justified in forming this company. Personally I think they deserve a certain amount of credit. As I said before I am sure the House of Commons, a few years ago, would not have considered turning down a proposition such as this. But now that there are so many other companies in the field the house can be eclectic; that is the word I would use instead of "choosy".

(Translation):

Mr. Poulin: Mr. Chairman, it is not my intention to speak at any length on the bill now before us. I am sure that hon. members, having heard that preliminary statement, will be glad to know that I intend to be brief.

However, it is fitting that some members from the eastern provinces should make known their views during the discussion on such a bill, because of the great problem which is at stake, namely, the way Canada may dispose of her natural resources.

I know very well, Mr. Chairman, that, in making these remarks, I stand very close to breaking the rule of the committee of the whole on what it is permitted or forbidden to say. For this reason, I wish to revert immediately to the subject matter of the bill.

In short, we have here a group of persons seeking to form a company to dispose of natural resources, in this case oil and gas. According to the request set out in the bill, the use of these resources would be restricted at least as far as Canada is concerned, to

three provinces. It would seem, according to the wording of the bill that the surplus will be used outside Canada. That is exactly what we oppose. Of course in saying "we" I am possibly being a little too forward as far as expressing the opinion of the other Quebec members is concerned, but for my part I do submit that this should not be allowed.

Speaking of natural resources I must say that we from Quebec have been especially blessed by Providence in this regard. This is not said in a boastful way since we are obviously not responsible for this. We have mineral resources which have already been developed or which are in the process of so being since the last year or two especially. We possess immense forest resources. Our potential electric power is equal to more than half that of the whole country. We do know something about it.

The present Quebec government, as well as the preceding administrations, have always tried to put these resources to the best possible use. That is why we readily understand and are quite willing to admit that the other provinces, in the western part of Canada, also have immense natural resources which they have been developing to their advantage, particularly in the past five or six years.

We of the eastern provinces are very pleased to see the tremendous wealth lying in store under the earth of the three prairie provinces and we understand that they should be somewhat anxious to keep these tremendous riches first of all for themselves, which is quite normal. We know very well that the Alberta conservation board—to which reference was made a moment ago—is following the matter very closely and is making sure that these riches are not wasted or improperly developed. It sees to it in particular that they are developed first of all in the interests of its own province.

This board will obviously benefit from the experience gained elsewhere in the United States, for instance where monumental errors were committed in the disposal of natural resources.

As a matter of fact, a citizen of Alberta told me recently that development of natural gas must not be too intensive because in certain cases at least the gas exerts a certain underground pressure on the oil-sheets located nearby and in certains places, no system of pumping is necessary, precisely because of that pressure on the oil. I am told that this condition is nowhere to be found in the United States. Mechanical pumping systems have therefore been installed everywhere.

I understand the Alberta conservation board will endeavour to avoid the evils that might follow the passing of certain bills in this house.

Of course, that conservation board does all it possibly can to restrict the distribution of such assets to the province or even to the neighbouring provinces in order to attract new industries. That is perfectly normal, that is as it should be, because up to now the western provinces have not been as fortunate as the eastern provinces in that field and we must admit that they have the right to keep their assets for themselves with a view to attracting new industries.

I am even told that around Regina industries are being organized, and that some are even in operation, thanks to that natural gas. But the surplus which these provinces cannot use must be shipped somewhere else, and this is where we disagree with some hon. members both from the government benches and the opposition benches who have already taken part in this discussion.

The hon. member for Springfield (Mr. Sinnott) said Friday, among other things, as reported on page 3221 of *Hansard*:

> But surely, for the good of Canada, we cannot afford at this time to hold back industry in Saskatchewan and Manitoba. Any attempt to conduct a filibuster on this bill would have the effect of creating a monopoly for other pipe line companies which have already been granted charters, and would thereby prevent the company now making application from competing. It would have the effect of eliminating from the field what might very well be a most competent company and one highly capable of carrying on this great enterprise, which would result in placing natural gas at the disposal of the people of Saskatchewan and Manitoba.

Mr. Chairman, I find very little to criticize in that statement by the hon. member for Springfield, except to say that I do not think I am attempting to conduct a filibuster on this bill when I participate in this debate; on the contrary.

Furthermore, I would strongly oppose any attempt to prevent the provinces situated alongside Alberta from being the first to avail themselves of the tremendous advantages that these natural resources offer.

I feel that we, the people of Quebec, would act and indeed do act in exactly the same way. We endeavour to develop the resources at our disposal for our benefit and the benefit of our close neighbours. The same thing is happening in the west and I repeat that as far as the present bill is concerned I do not in the least intend to conduct a filibuster or to prevent the western provinces from being the first to take advantage of these immense resources.

It might seem strange that we of the province of Quebec who have inexhaustible waterpower resources at our disposal should ask the western provinces to supply us with natural gas, while it is being alleged in certain circles that electricity substitutes favourably for gas. It is true, I think, in a very great number of cases, but there necessarily exist certain sectors of our economy where gas is better than electricity.

We find proof of this in and around the city of Quebec, where there is such a large supply of electricity that some is left over, and where people nowadays use propane gas, imported from the United States.

As a passing remark, I would like to point out the case of a young man who used to live in my constituency. He is building today, near the town of Levis, a warehouse for storing propane gas, which is to be distributed in that district. It does seem to prove that in spite of our abundant waterpower resources, we sometimes find it more advantageous to use natural gas.

However, the natural gas that we use in the province of Quebec—I speak of Quebec because it is the region with which I am most familiar—is extremely expensive. I have been told that the owner of an average house, well built, well insulated, has spent, over a period of two years, between $250 and $300 to heat his house with propane gas. On the other hand, someone from Alberta recently told me that it was possible in that province to heat an ordinary home for something like $75, $80 or $90 a year. That means a tremendous difference.

Of course, I understand that the transportation of natural gas from the west to the eastern provinces would considerably increase the cost of that gas, but I doubt that this could increase it to the point where it would cost something like $300 to heat a home in our part of the country, whereas it only costs $80 to $90 in Alberta.

It may have slipped our minds that in the United States there are something like 315,000 miles of pipe line, of distribution lines, which supply about 20 per cent of all the heating fuel in the United States. This means that considered solely for heating purposes, gas is an extremely important asset. Consequently, I believe it is our duty to be careful, and very wary, when the question arises of passing legislation under which the eastern provinces may or may not benefit from this enormous wealth, which the western provinces are now enjoying.

I hope I would not be out of order in quoting a very brief excerpt from *Le Soleil*, of Quebec, dated June 12, 1952. It is an editorial which approves categorically, emphatically, if I may use that word, the position taken in this house by the hon. member for Three Rivers (Mr. Balcer) and the hon. member for Chicoutimi (Mr. Gagnon) on this very matter. At the end of the editorial, we find the following:

> The government will undoubtedly step in before it is too late and expound clearly a national policy regarding the use of Alberta's gas, which is an essential source of energy to the industrial development of Canada at large.

In concluding, I again wish to assert clearly my position on this matter. I repeat that I have no intention of blocking or of killing this bill. On the contrary, I would like to see many members from the east express their views, so that we may know what they think of the problem we are now considering.

As far as I am concerned, I wanted to assert my position, because I think that we have here a vital problem, the solution of which could bear on the settlement of very difficult conditions.

I say once again that the western provinces are now developing immense natural resources and we from the east hope that these resources will be developed wisely. Without wishing to side with any government or political group, I am of the opinion that the province of Alberta is now privileged in having a sound administration and in enjoying a measure of very intelligent protection regarding the utilization of these immense natural resources. It seems to me, however, that we should not authorize any measure likely to deprive the east of these immense resources, and, on the same basis, it seems to me that the eastern provinces, which are also blessed with considerable natural resources, should, as far as possible, make these resources available to the western provinces before exporting them or authorizing our neighbours to make use of them to the prejudice of our people.

(Text):

Section stands.

Progress reported.

Mr. Speaker: It being nine o'clock, the house will resume its business which was interrupted at six o'clock.

CANADIAN NATIONAL RAILWAYS

AUTHORIZATION TO MAKE CAPITAL EXPENDITURES IN 1952

Hon. Alphonse Fournier (for the Minister of Finance) moved that the house go into

committee to consider the following resolution:

That it is expedient to bring in a measure to authorize the Canadian National Railway Company to make capital expenditures in the year 1952 not exceeding $154,755,280 and to make certain capital expenditures and enter into certain contracts prior to July 1, 1953; to authorize the national company to issue securities to provide amounts required for the authorized expenditures; to provide that the aggregate principal amount of securities, not including any securities issued to secure temporary loans made by the Minister of Finance, outstanding at any time shall not exceed $202,405,280; to authorize the governor in council to guarantee the principal and interest of securities issued by the company for the purpose aforesaid; to authorize the Minister of Finance to make temporary loans to the said company secured by such securities and not exceeding $202,405,280 in principal amount to enable the said company to meet such expenditures and with authority to give financial aid and assistance to other companies of the said national system.

Mr. Macdonnell (Greenwood): Is the parliamentary assistant going to make a statement?

Mr. Sinclair: In view of the debate last night I do not know whether I would be in order to make my statement now or in committee. I am in the hands of the house.

Mr. McLure: It is all right any time.

Mr. Sinclair: We will have it in committee, in that case.

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

Mr. Sinclair: Mr. Chairman, this is the annual resolution which paves the way for the introduction of the Canadian National financing bill. Perhaps I could make a short statement and then be ready to answer questions. The bill to be founded on this resolution is divided into four specific parts. The first part is similar to that of previous years and is to authorize Canadian National Railways to incur capital expenditures up to $154,755,280. The second part is to authorize the railway company to acquire additional working capital in an amount not exceeding $15 million. Provision was made last year for additional working capital of $20 million. The third part authorizes the railway company to make capital expenditures prior to July 1, 1953, to discharge obligations incurred under this act which become due and payable after January 1, 1953. That is to take care of the six months lapse between the end of their calendar year and July 1.

Mr. Macdonnell (Greenwood): Is there any specific amount?

Mr. Sinclair: No. I am putting a table on *Hansard*. Those are the capital expenditures authorized by this bill but which do not become due until after the calendar year ends. We cannot say what the amount is, but the total amount will be within the $50 million I have specified. While this section is new it does not involve any new principle, as the law officers of the crown have ruled that the authority contained in the annual financing and guarantee acts does not expire at the end of the calendar year. It was felt that it would be more desirable to disclose this to parliament by specifically referring to it.

The last part provides for the railway company to enter into contracts for new equipment in the amount of $123,130,710. This provision was first introduced last year when the company was authorized to place orders for $111,512,920. It will be noted that none of this equipment is expected to be delivered in 1952.

To summarize, parliament is being asked to approve financing either by way of direct loan from the government or by way of the issue of securities guaranteed by the government in the amount of $202,405,280. For the convenience of hon. members who will want to study this before second reading I have a table here which perhaps the committee will agree should be placed on *Hansard*. It is not too long, but perhaps it is too long to read.

The Chairman: Has the hon. member the consent of the committee to place the table on *Hansard*?

Some hon. Members: Agreed.

Mr. Sinclair: The table follows:

Additions and betterments (excluding new equipment)—		
Ordered prior to 1952 (re-vote)	$23,014,271	
Ordered and to be paid in 1952	27,363,257	
		$ 50,377,528
Branch line construction Sherridon-Lynn Lake		7,800,000
New equipment—		
Ordered prior to 1952	$93,647,760	
Ordered and to be paid in 1952	2,413,092	
		96,060,852
Acquisition of securities		516,900
Acquisition of additional working capital		15,000,000
Payment for equipment ordered but delivered in period January 1 to July 1, 1953		50,000,000
Total		$219,755,280
Less amounts available from depreciation reserves and debt discount amortization		17,350,000
		$202,405,280

It will be noted from the above that we are including in this legislation amounts that were authorized by previous financing and guarantee acts. In other words the legislation to be founded on this resolution will be the sole authority for the financing of the railway company up to July 1, 1953. This is an interesting point because last year in

the meetings of the committee on railways, canals and shipping owned and operated by the government the chairman, the hon. member for Halton, suggested that it would be desirable to have all commitment authority in one bill rather than to have outstanding commitments from earlier bills. During the debate last year the hon. member for Eglinton pointed out the difficulty which arises when we attempt to apply parliamentary control to an ordinary commercial company whose operations are continuous. This suggestion has been incorporated in the bill and all commitment authority will be covered by this bill. The earlier commitment authorities authorized by the bills of last year and 1949 are now included in this bill and from now on the total commitment authority will be in the bill of the year.

The usual authority is provided for the making of temporary loans to the railway company and Trans-Canada Air Lines to meet operating deficits up to June 30, 1953. While the capital revision act of this year contemplates that the railway will not have any deficits in the future, it sometimes happens in the early months of the calendar year that deficits do occur. In the case of an ordinary commercial company it would finance these by bank loans; in this case we are prepared to extend these temporary advances as we have in the past.

Loans by the government to the railway company made under previous financing and guarantee acts were outstanding at May 31, as follows:

1947 Act	$ 5,886,566.33
1949 Act	1,656,463.45
1950 Act	6,911,989.10
1951 Act	66,333,939.82
1951 Act (No. 2)	21,448,924.37
	$102,237,883.07

Advances under the first three of these acts and part of the fourth will be converted either into preferred stock or the $100 million twenty-year obligation referred to in the capital revision act. The budget of the national company has already been referred to the committee on government-owned railways and has been scrutinized by that committee. I am happy to have with me my colleague the parliamentary assistant to the Minister of Transport, who is on that committee and who can answer much better than I questions of detail as far as the real use of these sums is concerned.

Mr. Macdonnell (Greenwood): In view of the statement which has been tabled, perhaps the detailed figures can be gone into more adequately when we have had time to study it. I understand that it is proposed to try to make each year more or less self-contained.

Mr. Sinclair: The bill for each year.

Mr. Macdonnell (Greenwood): It is rather a qualification of that, that while you are cutting off what is behind you are also stepping forward into the coming year. That is to say, you are making certain provisions to carry you into the first six months of 1953. I am not going to comment further until I see the figures. There is one figure, however, which if I have it right, puzzles me. I understood the parliamentary assistant to give a figure of $154 million as capital expenditures.

Mr. Sinclair: Yes.

Mr. Macdonnell (Greenwood): And additional working capital, $15 million.

Mr. Sinclair: Yes.

Mr. Macdonnell (Greenwood): And then for equipment, part running into the next year, $123 million.

Mr. Sinclair: All of it to be paid ahead.

Mr. Macdonnell (Greenwood): That gives a total of $292 million, which of course is much bigger than $202 million. I take it that that carries it into 1953.

Mr. Sinclair: It is a commitment authority.

Mr. Macdonnell (Greenwood): We may have more to say about that when we have seen the figures. What is the policy with regard to equipment? There was a time when bonds were sold to provide a great deal of the money required for equipment. My recollection is that when the matter was up a year ago it was stated that some was to be raised that way and some by straight assistance by the government.

Mr. Sinclair: It is a matter of market conditions. If the market will handle equipment trust bonds, then the money is raised that way. Otherwise it is obtained from the government. When the bill is before the house I shall have a statement on the financing of equipment for you.

Mr. Knowles: I take it from what has been said that the policy from here on will be that there will be no left-over commitments from previous bills that are not included in the current bill.

Mr. Sinclair: That is right.

Mr. Benidickson: This year; and other bills will have what we ordinarily would call a revote.

Mr. Knowles: It is getting to be like some items we have in the estimates both in terms of revotes and in terms of advance commitments. Perhaps that leads to another question that I had intended to put with reference to

the provision for contracts in the first six months of 1953. With respect to that may I point out that from the way it now reads apparently we are covering eighteen months in this bill. Will it always be an eighteen months provision or once we have made this transition will it be twelve months?

Mr. Sinclair: That arises because of the fact that the railway operates on a calendar year and the financing bill passed by parliament usually does not come up until May or June, so there is a lag of four or five months in which there are no financing powers. Therefore there is authority in the bill for a six months period so that equipment which has been ordered, the contracts for which have been entered into during the fiscal year and on which payment does not come until after the beginning of the next year, will be covered. That will take us up to July 1 this year, by which time I hope the bill will be through. That of course does not apply to this year but next year the same situation will occur, and in the bill there is a limit put on how much they can carry forward. A top limit of $50 million is put on the carry-over of contracts that have been entered into in the calendar year but as to which demand for payment was made after the end of the calendar year.

Mr. Knowles: That provision will be included in the bill?

Mr. Sinclair: Yes.

Mr. Knowles: In other words it is comparable to the commitment authority that appears in certain estimates. I should also like to ask the parliamentary assistant for a further word by way of explaining the relationship between this measure and the bill that was before us a short while ago with respect to the capital structure of the Canadian National Railways. Will there continue to be bills of this kind in future years even after the other act comes into full operation?

Mr. Sinclair: I would expect so because as the railway expands it is going to need more capital, and parliament is the source of capital for the national company.

Mr. Knowles: By way of loans.

Mr. Sinclair: Yes, loans. One thing we hope will disappear is the temporary advances we make to cover operating deficits during the course of the year. If at the end of the year they have a deficit then that is of course included in the financing bill for the next year, but if the capital revision places the railway on a basis where it is unlikely to have continuing deficits then this part will at least be greatly lowered if not eliminated.

[Mr. Knowles.]

Mr. Knowles: That is the point I was hoping the parliamentary assistant would deal with. We dared to believe that the other bill would make it possible for the C.N.R. no longer to have deficits arising from its top-heavy and unfair capital structure. If that is the case the providing of money to meet those deficits should no longer be necessary.

Mr. Sinclair: That of course is the statement made by the Minister of Transport. As far as I am concerned, provision is made here for the advance of moneys to the company for temporary deficits in the same way a commercial company would turn to the banks for temporary advances.

Mr. Macdonnell (Greenwood): I think it was made quite clear that this measure would still be a necessity even after the adjustment in capitalization because, as we will see when we come to the other bill, it did not go far enough to cover all the need for capital adjustment. Without going into details now, when the bill comes forward and we are examining these figures further I wish the parliamentary assistant would have regard to the statements made on pages 128 and 129 of the committee evidence. Perhaps my question follows somewhat along the line of that asked by the hon. member for Winnipeg North Centre. The committee that studied the recapitalization bill was given what it is true is only an estimate of what might be required by way of additional authorization for capital expenditure. I confess these figures are somewhat higher than I had hoped, and when the bill is before us I think we should be prepared to scrutinize them closely and try to relate them first of all to what was said in the committee last April; and second, to what was said to the other committee a couple of weeks ago.

Resolution reported, read the second time and concurred in.

Mr. Abbott thereupon moved for leave to introduce Bill No. 346, to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system during the calendar year 1952, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company.

Motion agreed to and bill read the first time.

TAX AGREEMENTS

COMPENSATION TO PROVINCES IN LIEU OF CERTAIN TAXES

Hon. Douglas Abbott (Minister of Finance) moved that the house go into committee to consider the following resolution:

That it is expedient to present a measure to authorize (a) the Minister of Finance, on behalf of the government of Canada, to enter into agreements with the governments of the provinces to provide inter alia, subject to terms and conditions to be agreed upon, that in consideration of the said governments agreeing not to levy income tax, corporation income tax, corporation tax or succession duties for a period of five years or any lesser period the government of Canada will pay compensation to the said government; and (b) the Minister of Finance to pay to the government of each province one-half of the income tax collected from corporations whose main business is the distribution to or generation for distribution to the public, of electrical energy, gas or steam in respect of income of the corporations derived from the said distribution or generation in that province during the period commencing on January 1, 1952, and ending on December 31, 1956.

Mr. Fraser: Is the minister making a statement?

Mr. Abbott: I have a very brief statement. I thought I might make it in committee.

Mr. Knowles: Without prejudice.

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

Mr. Knowles: Without prejudice.

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

Mr. Abbott: Mr. Chairman, the bill to be based on this resolution seeks authority to authorize the governor in council to enter into tax rental agreements with those provinces which may wish to participate in such agreements. At a later stage I would expect to make a more detailed explanation of the provisions of the bill, but perhaps all I need to say at the present time is that the bill will be in practically the same form as the bill which was passed by the house in 1947. The only differences of any substance will be the provision of different guaranteed minimum payments for the various provinces, a different method of calculating the adjusted payment in relation to the minimum, and the consequential changes which result from the decision to eliminate the 5 per cent provincial income taxes.

Mr. Drew: Mr. Chairman, the subject now before us involves a great deal more than merely the form of a statute. Hon. members should realize what the statement the minister has just made means. The adoption of this bill in no way disposes of the fundamental problem which it has been drafted to meet. The minister has just said that this measure will be in practically the same form as that which was introduced in 1947. In 1947 it was explained that the bill was practically in the same form as that which had been introduced in 1942. This is the third stage of what was intended and declared to be only a temporary expedient for the purpose of the war, when it was originally brought forward in 1942.

I intend to recall the circumstances under which this situation arose because the adoption of this bill at this time in no way disposes of a problem which must be faced unless our whole federal system is to be threatened. There was a time when members of this government were not so casual in their attitude towards the constitution. There was a time when members of this government felt impelled to explain their position when they introduced a measure that made very real changes in the normal relationship between the dominion and the provincial governments in the tax fields available to the governments of this country. I will quote from the words used in this house in 1940.

These were the words of the minister of finance at that time, Hon. J. L. Ralston; and an agreement of this nature was not yet before the house. Nevertheless the whole question of dominion and provincial taxes was under consideration. I would like to quote the words simply to indicate the attitude of the minister of finance at that time. In discussing the necessity for raising taxes and what that might mean he said:

This means that unless we are prepared to be entirely arbitrary and unfair and to set up schedules of rates which when added to the rates imposed by other taxing authorities would be nothing short of fantastic, the dominion must, in fixing its schedule of rates, take cognizance of the highest schedule of rates effective in any province. This is but an instance of the chaotic situation in the fiscal systems of Canada to which the Sirois report has drawn attention and which, I regret to say, appears to be getting worse rather than better.

The following year Hon. J. L. Ilsley was minister of finance. At that time in his budget speech he explained that it was intended to place before the provincial governments a proposal that they should vacate certain tax fields which had traditionally been regarded as those fields available to them. In doing so he made it perfectly clear that this was something he was only proposing because of the emergency of the war, and that it was the intention of the government as soon as the war was over to take the appropriate steps to return the provinces to their taxing position with their powers undiminished.

Because we must bring our minds back to this problem, no matter what is done in regard to the measure before the house, I wish to recall the words of the minister of

finance in 1941; and I am quoting from *Hansard* of April 29, 1941, as reported at page 2345. In explaining that it was intended to place the proposals before the provinces for the vacation of the tax fields, the minister of finance said:

> . . . it is proposed, therefore, as a temporary expedient for the duration of the war only to ask the provinces to vacate these two tax fields.

Surely those words are clear enough. It was for the duration of the war only. He went further, so there might be no doubt about his intention, and said:

> I should like to emphasize that this is not an attempt to get the provinces out of these tax fields permanently.

Later in the same speech he said:

> I should like to emphasize that no province is being forced to accept this offer and any province which does accept will have the right to withdraw from the plan at the end of any year subject to reasonable notice. Furthermore, the arrangement with the provinces will be discontinued and the dominion will cease making the payments which are contemplated in the proposal and will agree to reduce its taxes in these two fields proportionately, within one complete fiscal year after the termination of the war.
>
> The plan which I have outlined for alleviating the present difficulties is by no means perfect and is not intended to be more than a temporary wartime expedient.

What we now have before us for the second time since the end of hostilities is a return in form for all practical purposes, with nothing more than the figures altered, of an agreement which according to the clear and repeated declaration of the minister of finance in 1941 was not intended to be more than a temporary wartime expedient.

I have some personal recollection of the discussions which took place prior to the original acceptance of these agreements by the provinces in March of 1942. It was emphasized at that time that the war emergency made it desirable to centralize in the hands of the dominion government a measure of authority which the dominion government did not wish to be regarded as more than a temporary measure, but which they suggested was advisable in view of the fact that there was such a centralization of authority to meet the unusual tests and strains of war.

I am speaking there of what I heard at that time in the way of arguments presented in support of these agreements. I heard the arguments put forward by the dominion government. I was in the Ontario legislature when that province accepted these agreements. The arguments of the dominion government and the arguments accepted by Ontario and the other provinces of Canada at that time all related to a measure of centralization which no one suggested was desirable—in fact it was clearly indicated it was not desirable in peacetime—so that the unusual concentration of power demanded by the test of war could be met in that way. So far as I can recall all the provinces accepted those agreements in the belief that they were performing a patriotic duty in turning over the tax fields which had been traditionally theirs.

It is no answer today to the suggestion that this is an undesirable invasion of the taxing powers of the provinces, Mr. Chairman, to say that the British North America Act clearly leaves it open to the dominion government to occupy any tax field. The very fact that from the time of confederation until 1917 the dominion government had never at any time entered these tax fields had, by precedent, created an understanding that these were the tax fields from which the provinces should draw their main sources of revenue to carry out the administrative responsibilities imposed upon them by our constitution. So clearly was that principle recognized that when, during the first world war, an income tax was imposed for the first time by the dominion government the finance minister at that time, Sir Thomas White, pointed out that they were entering this field with great regret. He made it clear that he regarded this as a provincial field of taxation, and reassured the provinces that they would vacate this provincial field of taxation as soon as possible after that war. The principle was embedded in the very argument that was made in favour of the entry into that field by the dominion government for the first time.

The arguments that were put forward in 1941 in support of this course were arguments that in no way changed the right of the dominion government to enter the fields, but they nevertheless did very clearly accept the established position of the provincial governments in that field. No words could more clearly state the acceptance of that proposition than the words of the Hon. J. L. Ilsley, as minister of finance, who made it clear that the rights of the provinces in that field were to be returned undiminished. In order that they might understand how that was to be done he used these words, which I submit are not open to any misinterpretation. I read from *Hansard* for April 29, 1941 as recorded at page 2345:

> . . . the arrangements with the provinces will be discontinued and the dominion will cease making the payments which are contemplated in the proposal and will agree to reduce its taxes in these two fields proportionately, within one complete fiscal year after the termination of the war.

If that undertaking had been carried out, it would have been fulfilled in 1946. This is 1952, and no attempt has ever been made to

carry it out. On the contrary, when any argument has been presented that there was some obligation on the part of this government to carry out its solemn undertaking made at the time these agreements were originally entered into, that argument has been branded as an attempt to read this government a lecture on its constitutional obligations. Either the undertaking given by the minister of finance in 1941 was given in good faith or it was not. I prefer to believe it was made in good faith. If it was made in good faith, it has been the obligation of this government at all times to carry out that undertaking and then seek arrangements with the provinces without this club over their heads, and without the suggestion that they were creating difficulties from the point of view of dominion-provincial relations if they did not immediately submit to any proposals put forward.

I am well aware of the fact that there was a dominion-provincial conference in 1945, and that it met on different occasions. I would recall that when the proposals which were ultimately embedded in the agreements of 1947 were put forward, they were not put forward as proposals for discussion. The conference was adjourned on motion of the dominion government in May, 1946. Then in this house the Minister of Finance announced that these were the terms that the provinces would be allowed to accept. It was that or nothing else and, subject to certain subsequent revisions, those became the terms entered into by seven of the nine provinces and later with modifications by eight of the ten provinces after the union with Newfoundland.

It will not serve any useful purpose at this time to oppose the measure now before the house. It is obvious that those provinces which accepted the agreements must continue this arrangement until some other can be made. Nevertheless this is an opportunity to emphasize reasons why steps should be taken to re-examine the whole tax structure of this country in the hope of establishing a position in which the legislative and administrative jurisdiction and responsibilities of the provinces will go hand in hand with the powers of taxation under their own control, which powers should be adequate for the purpose of carrying out the obligations our constitution imposes upon them. One of the difficulties facing those provinces which have entered into the agreements is that since those agreements were originally entered into there has been an increasing concentration of taxation in the hands of the dominion government, to a point where both provincial governments and municipal councils find themselves with a very limited part of the tax dollar available to them.

This is not a subject I am presenting to this government for the first time, nor is it a subject I alone have drawn to the attention of this government. The government is well aware that at a recent meeting of the mayors' association of Canada one of the main subjects before them for discussion was the difficulty of carrying out their municipal obligations with the limited part of the tax dollar now available to them. Right across Canada the provincial legislatures have been discussing their difficulties in meeting their responsibilities because of the limited portion of the tax dollar available to them. Without giving comparative figures again, may I simply recall that approximately 72 cents of every tax dollar is now paid into the dominion treasury; that 16 cents of every tax dollar is paid to the provincial treasuries, and that 12 cents of every tax dollar is paid to the municipalities. That concentration of taxing power is going on all the time at an accelerating rate. If the present course continues, no matter what agreements may be made the tax dollars will be so greatly absorbed by the dominion government that both the provinces and the municipalities, which have their extremely heavy responsibilities to carry out on behalf of the people, will have great difficulty in fulfilling their tasks without imposing an unduly heavy burden upon the people.

I recall the words of Hon. J. L. Ralston in 1940, when he told the House of Commons that it was the responsibility of the dominion government to recognize the level of taxation in the lower legislative jurisdictions and, in determining what taxes would be imposed here, to have regard to the taxes they were called upon to impose. The reverse is the case today. The dominion government imposes the taxes without regard to what taxes must be imposed elsewhere, and then leaves to the others scramble for what they can obtain.

Either we believe in the federal system or we do not. No one in the House of Commons or outside of it needs to become hysterical or to suggest that we are treading on sacred ground if anyone should assert the proposition that he believes in unitary government in this country. That argument has been made before and it will be made again. There are those who sincerely believe that Canada would be better off with a single government. I must confess that in the conduct of this government at no time have I seen any evidence that they do not believe they can do everything better than anyone else in this country, whether they assert their belief in a unitary government or not. Nevertheless

there are those who sincerely believe that a unitary government would be the best system for this country. There are those who believe the contrary.

In presenting my arguments, I present them from the point of view of one who believes that the continuing strength and unity of Canada depends upon the extent to which we adhere to the idea of confederation, and the extent that we not only express our belief in the federal system but also give positive evidence that we are prepared to make that federal system work by assuring to the provinces the measure of taxing independence they should have in relation to their legislative and administrative responsibility. Anything else places some measure of control over the provincial governments.

This government may think it is in a better position to exercise judgment in regard to important matters than are some of the provincial governments. If that is their opinion, most certainly they are free to assert it; and anyone should accept that opinion as an expression of individual belief or the collective belief of this government.

Mr. Abbott: Only it has never asserted that.

Mr. Drew: But it is not consistent with the concept of the federal system. The Minister of Finance has just said "But it has never been asserted." That is perfectly true; it has never been asserted; yet the course that is followed is one that is only consistent with the belief that we should work toward a unitary government in this country.

The predecessor of this agreement, similar in form and in general intent, was brought forward as a temporary expedient in time of war. There was never any suggestion that it would not centralize authority. It was agreed that it would do so. It was agreed that centralization was necessary during the years of war. The years of war have passed and the centralization continues. I suggest that more than lip service should be given to the principles of confederation, and that this government should take appropriate steps to show that when the undertaking was given in 1941 that the status of the provinces would be returned to them unimpaired, the government really intended to carry out the undertaking which was the condition precedent to the acceptance of that agreement which is now being renewed with certain amendments. The agreement is before us.

Mr. Abbott: Not yet.

Mr. Drew: I assume that eight of the ten provinces have indicated their willingness to continue that agreement. This is the time for the government to assure us that steps will be taken to examine our whole system of taxation in Canada so there may be a clear allocation of taxing powers which will give to the dominion government its clear field of taxation and to the provincial governments their clear fields of taxation. Then the provincial governments, under whose jurisdiction the municipal councils operate and tax, will have their tax fields made available to them.

Without going back over the arguments which have been made and without debating this agreement in itself, may I say that this would be the opportunity for the government to indicate that it has paid attention to the requests of the provincial governments and the municipalities, and that it will take the appropriate steps to explore the various possible methods of taxation so that proposals may be submitted to the ten provincial governments for consideration in the hope of ending the confusion which has been emphasized over and over again in this country. It was emphasized by Hon. J. L. Ralston in 1940 when he referred to the Sirois report. It has been emphasized over and over again. Instead of muttering comments which I cannot hear clearly across the floor of the chamber, I would hope that the Minister of Finance would pay some attention to this subject and would give us some assurances that the solemn undertaking, put forward by this government as a condition it would fulfil if the provinces accepted the agreement, is to be carried out and that this government intends to take appropriate steps to bring our federal system back to the underlying principles which were accepted in 1867.

Mr. Knowles: It seems to us most unfortunate, indeed it is almost a tragedy, that we have not yet reached a proper and nation-wide basis for taxation agreements as between the federal and provincial governments. The importance of this problem in our federal system, and its importance to the welfare of the people of Canada, cannot be overstated. Nevertheless I disagree, and I disagree profoundly, with the basis upon which the leader of the opposition would like to see that agreement reached.

Every time I hear speeches of the kind to which we have just listened, whether it be on the question of the British North America Act or whether it be on financial arrangements between the provinces and the dominion, it seems to me there are some people in this country who think of Canada as a group of ten little kingdoms in conflict with some overriding body to which they have surrendered some authority with great reluctance. That is not our view of Canada. Our view of Canada is that it is a nation of

people, of Canadian people, who have chosen a form of government. Perhaps it was chosen by our forefathers but we share in that decision, and in that sense we today can say that we have chosen the federal system. We have chosen it because we are a far-flung nation. We are a nation of many different strains, of different economic and other interests; and it seems to us in our nation desirable that there should be a division of the functions of government as between the central government and local governments. But having made that decision we feel as Canadians—and I think this view is the view of Canadians generally—that each of those governments, both the central one and the local ones, has important functions to perform.

When one talks about the sanctity of the federal system, about doing things to keep that federal system alive and functioning, he should bear in mind the responsibilities of both these levels of government. It is not a defence of the federal system just to stand up time and again and insist that certain functions and rights should be restored or given to the provinces. It is a proper defence of the federal system to remind us of the functions and the rights and the responsibilities of the provincial governments, but at the same time to remind us of the functions and the rights and responsibilities of the central government.

Both these levels of government, as I see it, have an overriding responsibility; and that is not just to quarrel with each other, to vie for position. It is their overriding responsibility to serve as best they can the interests and the welfare of the people of Canada.

In my view this issue was grappled with very thoroughly and wisely by the Rowell-Sirois commission. A lot has happened since then. The picture in degree at any rate has altered tremendously because of the war and the economic developments that have taken place since; but it seems to me that the pith and substance of what the Rowell-Sirois commission recommended still holds true, namely that we have somehow to rethink and recast our financial set-up in this country so that the wealth that is created across this broad land is not channelled into two or three areas where there can be great prosperity at the expense of other parts of the country, but rather that that wealth is made available for the highest possible standard of living and as nearly as possible equality of opportunity throughout the country.

The system we were labouring under prior to the war did not facilitate that sort of arrangement or that sort of distribution of the wealth created by our people. The system we were working under prior to the war enabled people in certain parts of the country to make wealth out of the labours of people in other parts of the country and yet, in the nature of things, to escape the taxation that should go with the wealth they were thus drawing to themselves.

The recommendations of the Rowell-Sirois commission, if I understand them at all, were directed to the idea that arrangements should be made so the nation's wealth could best serve the interests of all Canadians. Accordingly the Rowell-Sirois commission felt that in terms of taxation authority the position of the central government of the Canadian people should be strengthened. I plead with the members of this house to think in those terms, not to think of ten provincial governments and ten provincial cabinets, as it were, vying with the cabinet down here for prestige and power and authority. That is not the problem. The problem is: what is the best way that government—government in its entirety—in this country under the federal system can serve the interests of the Canadian people. I am satisfied that the heart of what the Rowell-Sirois commission recommended is correct; that if we are going to serve the interests of the Canadian people in the best possible way it is desirable that so far as the taxation of the wealth of the people for redistribution in terms of improved social security, and government projects of one kind and another is concerned, it must be strengthened at the level of the central government.

I agree that that having been done and there still being functions which the provincial governments, which are in closer proximity to the people, can perform better because of that very promixity, they must be in a financial position to perform them. All the provincial governments must be in that position, not just two or three or four of them depending upon their geographical location or how the wealth of this country gets channelled; and if they are all going to be in that position we have to think in terms not of our loyalty to provincial governments in various parts of the country but of our loyalty to Canada as a whole.

In my view it is a tragedy that conditions, some of which were beyond our control —I refer to the outbreak of the war—and some of which were internal, prevented the implementation in some form or other of the pith and substance of the Rowell-Sirois recommendations. The war came, and the desirability that what had been drawn to

our attention by the Rowell-Sirois commission be done became a necessity and so we had the wartime taxation agreements.

Then came the 1945 dominion-provincial conference and the proposals made at that conference by the federal government. I am not going to take time to rehash the whole story of what happened at that conference, how it broke up, who broke it up and why. Neither is it my function to come to the defence of the federal government, although these days they do seem to need somebody to help them out. They are in a bad way on a good many fronts.

It seems to me that the proposals put forward in the green books of 1945—I have one of them here on my desk—were at least in keeping with the spirit of the Rowell-Sirois recommendations. Again I think it was a tragedy that a basis for agreement was not found. I am not suggesting that it was a tragedy because the nine provincial governments who were there on that occasion did not accept the dominion government's proposals precisely as they were put forward —naturally in a conference you need considerable give and take and compromise— but I do think it was tragedy that some basis for agreement was not worked out. It was a tragedy that those who were there on all sides seemed to think of themselves as the heads of little kingdoms which were warring with each other, instead of realizing that they represented two aspects of the federal system of government which the people of Canada chose long ago and have confirmed many times since.

However, that conference was abortive. The proposals to some extent were put on the shelf. We have been able to get some of them off the shelf and put on the statute books, and I refer in particular to the proposal regarding universal old age pensions. It took a long time, from 1945 up to this year, before it was made effective; but at least we seem to have gotten over the barrier we faced for many years, namely that none of these proposals could be implemented because the taxation arrangements were not accepted.

Even though we have made some headway in getting one of these proposals implemented, the fact remains that we still have to solve the basic problem of taxation in this country in line with the general principle laid down by the Rowell-Sirois commission, namely that we are one country, that we are all Canadians, that we produce a great deal of wealth and somehow it should be possible to arrange for the distribution of that wealth so as to provide some equality of health and living standards, and some equality of opportunity among our people.

[Mr. Knowles.]

To get down to cases, what I dislike about the proposal of the leader of the opposition, what I dislike about the kind of taxation authority that he wants the individual provinces to have, is that it would take us back, to a lesser or greater degree depending on its exact terms, to the situation we had before the war under which the people of certain provinces whose great wealth which had been channelled there because of the nature of our economy were able to escape paying taxes that should be paid in connection with the making of that wealth. In the other provinces from which wealth has been drained away the taxation problem is insuperable under a situation of that kind.

I see no threat to our federal system through strengthening the taxation authority at the centre and having with it some proposals such as were made in 1945, subsidy proposals, proposals that the provincial treasuries should have sufficient money to carry out their obligations. On the other hand I see a threat to our federal system, I see a threat to Canada, I see a threat to Canadian unity, I see a threat to the well-being of the Canadian people if we go back to the disunity which inevitably grows out of the kind of set-up we had prior to the war and which I think is involved in the proposals made by the leader of the opposition.

I hope that we shall not go back in that direction. I am sorry that the measure now before us in the name of the Minister of Finance does not go all the way. I know the reason is that some of the provinces have not agreed and so we have this temporary expedient, this stopgap measure. But at least it is an attempt to move in that direction and to co-operate with those provinces which are willing to co-operate, or co-operate because there is no alternative, whichever it is. To that extent we give it our support.

But I hope the day will soon come when the people who represent our various provincial governments and the people who represent our federal government will realize that their responsibility in this matter of taxation is not to vie with each other for prestige and power and authority and the right to collect or spend so much money. I hope they will realize that their responsibility is to achieve an arrangement that will make for the best deal, the best standard of living, the best chance at equality for Canadian people from coast to coast.

This is a little more than I had thought of saying when I learned that this motion was being called tonight. Obviously what I have said has been prompted by the remarks of the hon. gentleman who preceded me. Before I sit down I want to say to the Minister of

Finance that even as we have old age security on the statute books, despite the fact that the taxation arrangements proposed in 1945 have not been agreed to by all the provinces, I insist that similarly it is possible to treat health insurance in the same manner. As the Minister of Finance knows, the proposals made in 1945 were lumped together in one parcel. The taxation proposals were there and so were the proposals for health insurance, for old age security, for federal responsibility for the employable unemployed, for public works programs and all the rest of it. For quite a few years every time we raised the question of old age security or health insurance we were told "yes, those were in our proposals to the provinces in 1945, but the taxation part was not accepted, so we cannot go ahead with the rest". We have not heard that defence for some little while now. Perhaps one of the reasons we have not is that we have got over it and now have old age security on the statute books.

I submit to the Minister of Finance that so far as the provinces which have entered into taxation agreements are concerned, it is unfair to them to continue to deny to them the benefits of that kind of health insurance program which was proposed to the provinces in 1945, or something like it. Indeed some of the provinces are now suggesting that there should be a federal measure for health insurance with provision for provincial participation. The whole idea of a national social security program in terms of old age security and in terms of health insurance was part and parcel of the Rowell-Sirois concept and was part and parcel of the federal government's proposals in their attempt to interpret that concept in 1945. I suggest that just as it is a tragedy that these financial arrangements have not yet been worked out as they should be, so it is a tragedy that in the meantime the Canadian people have been denied the benefits of proposals such as the one for health insurance that was put before the provinces and the people of Canada in 1945.

The Minister of Finance may have agreed with the remarks I made with reference to the comments of the leader of the opposition. I hope he agrees with me now in these further remarks I am addressing particularly to him to the effect that in my view there is no reason for any further delay. It is unfair not only to the provincial governments, because as far as I am concerned they do not come into the picture, but it is unfair to the people of Canada, particularly those in the provinces with which agreement has been reached, to deny a health insurance program any longer. I hope the minister will give close attention to that together with the whole question of these taxation agreements.

Mr. Blackmore: Before we get too far from the remarks of the hon. member for Winnipeg North Centre I think I should say something. The hon. member assumes, as is customary with people of his school of thought, that there is no money available in Canada except that which is taken out of people's pockets. That assumption is absolutely fallacious.

Mr. Gibson: Let's make this painless.

Mr. Blackmore: I do not want to be unfair to the hon. member for Winnipeg North Centre. I know he is very honest, straightforward and sincere, and so am I. I do not agree with him at all in most matters of this kind. The hon. member has disregarded the essential element of provincial sovereignty. I suppose he would deny that, but I say it now because I want to be fair to him. The leader of the opposition made a speech, which I regret I was not in the chamber to hear, in which I understand he set forth the case for the individual province and its sovereignty. In doing so he was emphasizing an exceedingly important matter in this dominion.

When the fathers of confederation planned Canada they planned it with a number of sovereign provinces. Everything in connection with the British North America Act tends to show that. The decisions which were made by the privy council for a long time tended to show that. There is another school of thought which believes that it is impossible to govern Canada successfully unless the dominion government has the authority to command the provinces and abrogate their sovereignty. I favour the point of view of the leader of the opposition.

I believe the present government is deserving of much credit because it has learned the essential fact that by co-operation with the provinces it is possible to attain any desirable objective in the dominion. The present government ever since 1940 and before has had excellent results in co-operation with the provinces.

It must be borne in mind, as I have said many times on the floor of the house, that the men whom the people send to the provincial legislatures are just as intelligent as any man who has ever been sent to this house, and that the members of the provincial governments are just as skilful, sincere and single-hearted in their desire to govern well as any man who ever held a position in the government at Ottawa. This being recognized, we approach this whole problem from an entirely different standpoint. We agree

with the idea of the leader of the opposition. I should like to put in a word for the recognition in Canada of the sovereignty of the provinces to a growing degree.

I object to centralizing control and the deprivation of the sovereignty of any governing body not only in Canada but in the world. I have set forth my reasons for that position. No group of people on the face of the earth knows better how to govern Canada than Canada itself. No group of people in the world knows better how to govern New Zealand than New Zealand itself. We do not have to have a cabal of people situated in Europe or some other place to govern any one of these great nations.

Mr. Sinclair: What about foreign leaders campaigning in British Columbia? How do they fit in?

Mr. Blackmore: British Columbia is a part of Canada, is it not?

Mr. Sinclair: I was talking provincially.

Mr. Blackmore: I would imagine that any Canadian would be quite at home campaigning in British Columbia concerning any matter pertaining to Canada.

Mr. Low: I seem to recall that Gerry McGeer and others campaigned in Alberta.

Mr. Blackmore: Continuing with the question of decentralization of power, I do not believe that power in a province ought to be centralized unduly in the capital of that province. It is fitting that power be decentralized so as to bring the government of the people as close to the people as you can possibly get it. The people in their communities, their counties, their municipalities, their school and hospital boards, will govern magnificently. Usually the only thing they need is the financial means with which to discharge the responsibilities resting upon them. They will do the rest.

May I come now to the Rowell-Sirois report? I have said on the floor of this house on other occasions that the Rowell-Sirois report was one of the most pernicious documents ever published in the Dominion of Canada. I am prepared to back that position with a good deal of argument, but not tonight. I should like to deal with one or two other considerations. I do not know whether the hon. member for Winnipeg North Centre remembers this; probably he does not. If it had happened while he was here he certainly would have remembered it. I am going to take this occasion to give credit where I believe credit is due. I consider the hon. member for Winnipeg North Centre one of the best members who has ever sat in this house from every angle—

[Mr. Blackmore.]

Mr. Sinclair: Misinformed but good.

Mr. Blackmore: —from the standpoint of knowledge, courage and everything else it takes to make a good member. That does not mean that I agree with his ideas.

Mr. Knowles: That is the best compliment of all.

Mr. Blackmore: Wait till I get through.

Mr. Sinclair: He is going to call you ignorant in a moment.

Mr. Blackmore: Probably it will not be such a compliment after the story is all told. It will be found by and by that the line of thought I am following is sound, and that those who take the other view have not matured sufficiently in their thinking as yet. I say the hon. member for Winnipeg North Centre probably would not know what the original recommendation of the Rowell-Sirois report was. Financially the Rowell-Sirois commission recommended that in return for the taxing privileges which are involved in this resolution the provinces should be given an annual adjustment grant. Quebec was to receive $8 million a year, although I could never understand why. Manitoba was to receive $2 million a year and all the other provinces combined were to receive $4 million a year. If the hon. member for Winnipeg North Centre contrasts that with the allowances which are now given to the provinces for these great taxing privileges he will realize that he might like to make some reservation of his unqualified commendation of the Rowell-Sirois report.

Mr. Knowles: Surely the hon. member wants to be fair.

Mr. Blackmore: That is why I am talking as I am right here.

Some hon. Members: Oh, oh.

Mr. Knowles: I think I made it perfectly clear that I was supporting what I called the pith, substance and heart of the Rowell-Sirois recommendations. I made the statement that since that time we had experienced a war and we now have an almost entirely different situation. I may tell the hon. member that I read the Rowell-Sirois report long before I came here.

Mr. Blackmore: I said what I did so the hon. member would have a chance to answer me. When I have anything to say against a man I say it in his presence. I do not try to misrepresent what he said or to distort what he said; I give him a chance to say what he wishes right where I am talking.

Now let me go back to the recommendations of the Rowell-Sirois report. Let us remember

that those recommendations were issued somewhere around 1939 or 1940, so we were not completely immature.

The province of Ontario was to receive nothing in the way of financial adjustment grant. The province of Alberta was to receive nothing and the province of British Columbia was to receive nothing. They were to give these almost priceless taxing privileges to the central government and receive nothing in return. Now I just ask any member of this house or anyone in the country to justify a set of financial recommendations like that.

What did it mean? It meant the centralization of financial control in Canada to such an extent that no province in this dominion would ever have a ghost of a chance of discharging its responsibilities to its people. It meant complete financial subjugation of the provinces of Canada to a central power which would have over them absolutely dictatorial financial power. I do not want to be unkind to anybody, but that seems to me to be a general line of thought that my socialist friends rather like to dream about. Well, I do not. I say that if the Rowell-Sirois report had been accepted just as it was, it would have been the end of sovereignty in the Dominion of Canada amongst the provinces.

Mr. Adamson: Hear, hear.

Mr. Blackmore: What caused the change? The hon. member for Winnipeg North Centre has given some fine expression of opinion and I am glad that he had the opportunity to do so. I gave it to him deliberately. But what happened? Before I say what I am going to say next may I recall to the members of this house, particularly those who were here in 1941, that there was a dominion-provincial conference called in Ottawa in the early months of 1941. To this conference came all the premiers. The Rowell-Sirois report with the undesirable features which I have already mentioned was presented to the premiers. One of the provincial premiers refused to accept this report, and he gave a masterful speech rejecting it. That man was Premier William Aberhart of Alberta.

Fortunately two other premiers joined him in the struggle, Premier Hepburn of Ontario and Premier Pattullo of British Columbia. If it had not been for the courageous stand of those three great premiers, the Rowell-Sirois commission recommendations would have been, shall I say, imposed upon or pressed upon the provinces of Canada. Because these three premiers were courageous enough to take that stand the dominion government began to negotiate with the provinces and, in the course of years, the dominion government discovered that it could pay rather substantial sums of money in exchange for the taxing privileges which are involved in this resolution.

I do not believe it would be quite in order for me to say more on this subject right here.

Mr. Knowles: Tell us what has happened to our gross national product during those years. It did not remain constant.

Mr. Blackmore: I am not saying that it did. As the hon. member for Winnipeg North Centre has implied, it would require much more extensive discussion than a person could undertake in a speech in this house in order to set everything in its proper proportion. I will grant that we greatly increased our national production, our national wealth and our national financial income as a result of our war activities.

An hon. Member: And good government.

Mr. Blackmore: I grant all that, but it would not have mattered a particle if we still had the Rowell-Sirois report with the spirit which prevailed in that document. It would not have mattered how greatly the income of Canada had been increased, we still would have found that Ontario and Alberta and British Columbia did not need any financial adjustments. That is just about what it would mean, and I do not see how anyone could draw any other conclusion.

I think it is fitting on this occasion that these observations should be made and these facts put before the people of Canada so that those who did not live through those dangerous times will have an opportunity to learn from history what some of the great men who have lived in Canada during the last two decades have done for the people of this country today.

It has been suggested that I elaborate just a little on the division of responsibility under the British North America Act. I do not propose to take long, not more than two or three minutes. I think the first thing to bear in mind is that the allocation of responsibility between the provinces and the dominion under the British North America Act is sound. We do not need to change the British North America Act at all. All we need to do is interpret it as it was intended to be interpreted, and give provincial governments the recognition and the financial assistance which evidently it was intended that the central government should give them. They will do the rest.

Just one more word before I close. When the dominion government and the people of Canada come to realize the tremendous financial resources which are available to the dominion government by the use of social credit, then they will really understand how great is the capacity of Ottawa to give financial assistance to the various provinces in accordance with their needs. We do not need to change the British North America Act at all. It is something like Christianity; all we need to do is live it.

Mr. Stuart (Charlotte): Mr. Speaker, I would just like to say a few words; and at the outset I would say that I was greatly surprised tonight to hear the leader of the opposition, the leader of a national party, take the stand he has taken with regard to the dominion subsidy payments. In my opinion he certainly appeared once more in his old role as premier of the province of Ontario.

We hear the leader of the opposition in the house and outside preaching fair distribution of the wealth of this country. I have heard him do that on many occasions, particularly in the by-elections; but here is an example of one of the fairest distributions of wealth that could take place in the Dominion of Canada and it is being opposed by the leader of the official opposition.

I wish to speak briefly now as one coming from what you might call a "have not" province, or a less fortunate province. I believe that when we look upon the whole dominion we must all agree that if we are all to enjoy the same standard of living, then the wealth of the whole country must be fairly distributed. From my observations during the last fifteen years I would say that under Liberal administrations we have made more progress in that line than had been made from the time of confederation until 1935.

In my own province we will receive no less than $16·5 million under this agreement. To New Brunswick that is an enormous amount of money. When broken down it means over $30 for every man, woman and child in the province. For example, just taking family allowances alone, we get about $30 million in New Brunswick. As I say, we have about half a million people or one-half of the population of the city of Montreal and far less than the population of the city of Toronto. In that province we have already provided nearly 1,500 miles of paved roads, which have been built and maintained by 500,000 people. It would be utterly impossible to take from those people by way of taxation an amount to provide for those roads as well as the other services that must be provided. Our school system today is in the same category. The province has a fine school system, but it is very expensive when you have a small population.

In my opinion the only way we can enjoy these services is through a fair distribution of the wealth of this country. At this point I might say that when you mention subsidy payments, some people do not like the sound of it. I should like to point out, however, that we reciprocate in this way. We receive subsidy payments from the federal government, but over the years we have paid back millions and millions of dollars in subsidies to the manufacturers of these two central provinces, and we are continuing to pay those manufacturers. It is not a one-sided agreement. We have been paying these millions since confederation. It would appear to me that these subsidy payments are being opposed by the leader or the official opposition for the same reason that family allowances and the other services which we enjoy were opposed. It would seem that the central provinces do not wish the other parts of Canada to have the same standard of living which they enjoy. That is the way it would appear to a maritimer or one coming from New Brunswick.

I might say also that when the representatives of the provincial legislatures meet with the officials of the federal government, it is only natural that they should ask for larger subsidy payments; that is human nature. But I believe 90 per cent of the people of New Brunswick today, if they will be as honest as I am in speaking here tonight, will state that the payments we receive from the federal government are fair and just. So far as the payments made by the provincial governments to the municipalities and towns are concerned, those arrangements are purely between the provinces and those municipalities. No criticism can be levelled at the federal government on that point. How anyone can stand up on the floor of this house and suggest that we should be dealing with the municipalities is beyond my understanding. We deal with the provinces, and they deal with the towns and municipalities.

In concluding my few remarks I want to say I am confident the people of New Brunswick appreciate this assistance which is given by the federal government by way of subsidy payments. I have not the figures before me, but I am going to suggest before I sit down that this $16·5 million, which is the minimum payment under this arrangement, would be four times greater than our total provincial revenue for any year previous to 1940.

Mr. Macdonnell (Greenwood): I think I have seldom heard in this house anything so outrageously unfair as the remarks just

made by the member who preceded me, who is usually a very fair-minded man. He has tried to leave the impression that the leader of the opposition has objected to the carrying out of these agreements. Actually he said tonight that of course these agreements should be carried out. The hon. member has tried to give the impression that the leader of the opposition is seeking to create a state of affairs in which there will be no recognition of the fact that there are certain provinces which, through no particular virtue of their own, are better off than others, and that there should be no fair attempt to equalize the burdens and privileges which are enjoyed in this country. For a member to stand up, as he has done, and try to create this impression I think is grossly unfair.

Mr. Stuart (Charlotte): May I ask the hon. member a question?

Mr. Macdonnell (Greenwood): Yes.

Mr. Stuart (Charlotte): Did the leader of the opposition suggest that the federal government was taking all the taxing powers from the provincial legislatures?

Mr. Macdonnell (Greenwood): What the leader of the opposition said, as I understood him—and incidentally it is what the member for Winnipeg North Centre was saying—was that there were certain duties to be carried out by the provincial legislatures and by the dominion government. He quoted statements to show that when this arrangement was set up it was with the full intention of restoring to the provinces the taxing powers which they had given up. But things have greatly changed since then.

Mr. Stuart (Charlotte): May I ask one more question?

Mr. Macdonnell (Greenwood): Let me interrupt you for a change, and I shall continue what I am saying. What the leader of the opposition suggested tonight was not taking away anything from anybody. Let me digress a moment to speak again to the hon. member for Winnipeg North Centre, and tell him that when he suggested going back to the time of the Rowell-Sirois report he neglected to take into consideration that many things have happened since then. There have been family allowances, old age pensions and so on, and nobody suggests going back on them. I suggest to him he is, to some extent, setting up a straw man.

I return now—

Mr. Stuart (Charlotte): May I ask one question?

Mr. Macdonnell (Greenwood): Let me finish. The point I want to make clear is that the leader of the opposition did not suggest this legislation should not be passed. He suggested that there was a problem to be considered. The premiers who were here in 1946, particularly the premier of Nova Scotia and others, all suggested there was a problem to be considered. Of course it is a difficult problem; we all recognize it. It is true, as the hon. member implied, that if Ontario and Quebec tried to erect a wall around themselves and say what we have we hold, that would be very unfair. As a matter of fact what has happened since in the way of federal taxation, old age pensions and family allowances, has vastly changed the position because the dominion now takes care of those services.

I say, therefore, that what the member said tonight was grossly unfair. Furthermore we affirm what the documents which report the dominion-provincial conferences showed years ago, and he will find it most explicitly stated there, that there was recognition of the fact there had to be a sharing of the burden right across the country. Let me say this finally. There has been a great deal of most important support from men who have thought the thing through, including the premier of Nova Scotia and other premiers for the view that just as soon as you take away taxing powers and keep them away from the provinces in normal times, you create difficulties. It was with that in mind, and not with the intention of depriving anyone of anything, that the leader of the opposition spoke tonight.

Mr. Stuart (Charlotte): May I ask my question now?

Mr. Macdonnell (Greenwood): Yes.

Mr. Stuart (Charlotte): The hon. member has said the leader of the opposition was in favour of these subsidy payments. Did he take that stand when he appeared at the dominion-provincial conference as premier of Ontario?

Mr. Drew: Let me answer that question. The hon. member is the victim of the propaganda which he has been assisting in spreading.

Mr. Stuart (Charlotte): No. I am the victim of propaganda the other way, namely the propaganda of the speech of the leader of the opposition.

Mr. Drew: I would commend to the hon. member a little diligence in reading the record of what actually took place. If he would spend a little time reading it he would find, with regard to our position, that we made it clear that we wanted the adjustment of payments to be made in a manner that recognized the advantages of the province of

Ontario and the other provinces that had advantages. If he will look at the official record of the dominion-provincial conference which started in 1945 he will find that, as reported at page 519, I said this:

> Yes, we receive benefits from outside of Ontario; and those benefits were admitted, were stated in our brief presented last January; and may I remind everyone at this conference that Ontario has said, and said very emphatically, that it recognizes certain advantages it possesses, and that it is not only willing, it is insistent upon combining with the other provinces of Canada to share any advantages it possesses.

I repeat that statement today.

Mr. Adamson: Mr. Chairman, I merely want to make one suggestion to the minister with regard to the leasing of tax fields. It has reference to succession duties. The statement made in this committee tonight with regard to the distribution of wealth being a good thing is one with which I am in agreement. But may I suggest that there is no other tax which tends so greatly to concentrate wealth and to perpetuate monopolies and large corporations as does the succession duties tax. Many small companies, particularly family companies, on the death of the owner or a large shareholder, in order to raise money for the succession duties have to sell the assets of the concern either on the public market or to some larger concern. By this procedure more and more of the productivity of the country is being forced into large corporations.

Until the war succession duties were solely a provincial levy; but as an emergency measure for war purposes the federal government invaded the succession duty field. If the federal government really want to get agreements with the provinces, I suggest that they should be willing to relinquish this taxing field. It raises little money. Particularly in the central provinces but also in British Columbia and Alberta, there are at the present time double succession duties. Because of this fact, instead of acting to distribute the wealth or to keep the small operator continuously in operation you are, through the effect of the succession duties, concentrating the productive output of this country into fewer and fewer hands. I think that is a wrong procedure. I think that at least a conference with the finance ministers of the provinces could be held to advantage in order to find out whether the federal authority could not profitably relinquish the succession duty field.

May I now say a word with regard to what was said by the hon. member for Charlotte. Assuming that a part of the profits of business in the maritime provinces leaves those provinces, we find that one of the worst drains those provinces have to suffer is through the excise tax and the sales tax. Every dollar of business done in those provinces has to pay the tax which goes to the central government. In effect—and this is one of the evils of the sales tax—you are putting a centralizing tax on business done in the maritimes; the central government is taxing them on the business so done. There is no drain which any manufacturer or any business in the central provinces puts on the maritimes that can possibly be compared to the drain of the sales tax and the excise tax. Those are inescapable facts.

I wish to make my plea that, as far as possible, the tax structure of this country be simplified and that where there is double taxation, as there is at the present time in the field of succession duties, the first job of governments at all levels is to see to it that such double taxation, wherever it exists, be eliminated.

Resolution reported, read the second time and concurred in.

Mr. Abbott thereupon moved for leave to introduce Bill No. 347, to authorize the government of Canada to enter into agreements with the governments of the provinces pursuant to which, in return for compensation, the provinces agree to refrain from levying certain taxes for a limited period.

Motion agreed to and bill read the first time.

CRIMINAL CODE

AMENDMENT WITH RESPECT TO RACE MEETINGS

Hon. Alphonse Fournier (for the Minister of Agriculture) moved the second reading of Bill No. 309, to amend the Criminal Code (race meetings).

Mr. Adamson: What is the principle of this bill?

Mr. Fournier (Hull): Two amendments are proposed in this bill. The first is to subsection 4 of section 235 of the Criminal Code, and involves a change in the percentage which may be retained by the racing associations from the total amount of money wagered on each race, the change being from a graduated scale of percentages, depending on the amount wagered on each race, to a fixed percentage. In the old section the percentages varied from 9 per cent to 5 per cent, according to the amount. This amendment would fix the rate at 9 per cent.

The second amendment is to clarify the method of dealing with the odd cents which are retained at the present time by the association, and to make it clear that any remainder, as well as any odd cents, that may occur in

the quotient when pools are calculated may be retained by the association. I am told that everybody agrees with this change and it is for the good of the community.

Mr. Adamson: Does it assist the $2 fellow to get a better chance?

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Beaudoin in the chair.

On section 1.

Mr. Knowles: The minister who is sponsoring this bill said that everybody agreed to it.

Mr. Fournier (Hull): I had not consulted my hon. friend.

Mr. Knowles: Whom does he mean by "everybody"? Seriously, who is asking for it? Who are the people who have agreed to it and why has this limit been raised? Previously when the amounts involved were higher the percentage that could be retained was less. It was down as low as 5 per cent in some instances. Why has the amount that can be retained by the association been increased? I have no doubt that the association agrees with it. What about the other parties?

Mr. Fournier (Hull): I think the provinces will agree also because they administer these parimutuel systems. Here are the notes. I am no expert myself because I never make any bets. Subsection 4 of section 235 of the Criminal Code now provides for such graduated scale of percentages ranging from 9 per cent to 5 per cent that may be retained by the racing association. It is now proposed that this rate shall be fixed at 9 per cent of the total amount wagered on each race.

At present the amount retained by racing associations throughout the country is calculated at the rate of 9 per cent on the amount of money wagered in respect of 85 per cent to 90 per cent of the races run. The lower rates of this graduated scale are used mainly on Saturdays and holidays, and these are the days when stakes races with substantial purses take place.

In the United States a fixed rate of parimutuel commission has been adopted instead of the sliding scale in effect in Canada at the present time. The difference to the racing associations by reason of a change to a fixed rate of 9 per cent would be a fractional percentage, but the change would greatly simplify the work of the departmental supervisors at the track and it is recommended for the purpose of a more efficient supervision and administration.

This has been submitted to the authorities, I suppose, because they can administer it more easily with a fixed rate than with this graduated rate which starts under the old section of the code when the total amount staked or deposited on each race is $20,000 or under at 9 per cent; over $20,000 but not over $30,000, 8 per cent, and so forth. I am told there is not much difference in the amounts which the association will get out of it, but to administer and operate these parimutuels it is more effective to have a fixed rate. I can bring as my witnesses editorials from some papers that have said it was a sensible amendment.

Section agreed to.

Title agreed to.

Bill reported, read the third time and passed.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we will proceed with the notice of motion of the Minister of Transport to approve the agreement for the promotion of safety on the great lakes; then, the following bills: Bill No. 308, to revise the capital structure of the Canadian National Railway Company; Bill No. 307, to amend the Canada Dairy Products Act; Bill No. 322, to amend the Unemployment Insurance Act, 1940, and Bill No. 337, respecting the Northwest Territories.

Mr. Low: In that order?

Mr. Fournier (Hull): Yes, as closely as possible.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Wednesday, June 18, 1952

The house met at eleven o'clock.

REPORTS OF COMMITTEES

Third report of special committee on defence expenditure.—Mr. Croll.

Third report of special committee on veterans affairs.—Mr. Croll.

WAR REPARATIONS

TABLING OF REPORT OF ADVISORY COMMISSION

Right Hon. L. S. St. Laurent (Prime Minister): I should like to lay on the table two copies in English of the report of the advisory commission on war claims. I had hoped to have the French version at the same time but the congestion at the printing bureau has made it impossible to have it for a few days yet. I thought it would be desirable to have the English version available at once as there is apt to be an item in the supplementary estimates dealing with this subject. I understand that the English version is ready for distribution to hon. members.

Mr. Green: I should like to ask the Prime Minister a question with regard to this report. Will there be any legislation at this session as a result of the report?

Mr. St. Laurent: For the time being there will be an enabling item in the supplementary estimates to authorize the setting up of the war claims fund and the transfer from the general accounts of consolidated revenue to the war claims fund of the proceeds of certain enemy assets that have been converted. It may be that ultimately legislation will be required but it was felt that it was desirable to proceed as rapidly as possible and that further experience might be acquired in the course of proceeding before definite legislation in the form of a separate statute was introduced.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

Ottawa, June 18, 1952

Sir:

I have the honour to inform you that the Honourable Patrick Kerwin, a judge of the Supreme Court of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate chamber on Wednesday, the 18th June, at 5.45 p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
sir,
Your obedient servant,
J. F. Delaute,
Secretary to the Governor General
(Administrative)

QUESTIONS

PEMBROKE-ALLUMETTE ISLAND—CONSTRUCTION OF BRIDGE

Mr. Diefenbaker:

1. Does the Department of Public Works intend to proceed with construction of the Pembroke-Allumette Island bridge, during the present year?
2. Has there been any correspondence with the governments of Quebec and Ontario relating to each of the said governments contributing one-third of the cost of construction? If so, have the governments agreed or refused so to do?
3. What is the estimated total cost?

Mr. Fournier (Hull):

1. Answered by 2 (b).

2. (a) Yes. (b) No definite replies from provincial governments.

3. $1,000,000.

DEFINITION OF TERRITORIAL WATERS—REPORT BY COMMITTEE

Mr. Applewhaite:

1. Is there an interdepartmental committee now considering the question of the definition or extension of Canadian territorial waters?
2. Has any report been made by this committee? If so, when, and to whom?
3. If not, when is it expected a report will be made, and to whom?

Mr. St. Laurent:

1. The interdepartmental committee on territorial waters is a standing committee of representatives of departments concerned with territorial waters and considers questions that arise from time to time relating to them. It has at present under consideration a number of matters relating to the definition of Canadian territorial waters.

2 and 3. The committee is simply a part of the internal arrangements of the government and members of the committee either report to their respective departments on its proceedings, or, from time to time, the committee through its chairman reports to the cabinet. It is simply a convenient way of keeping departments in touch with one another.

Questions

VICTORIA MACHINERY DEPOT COMPANY—SUSPENSION OF WORK ON MINESWEEPER

Mr. Green:

1. Has work been suspended on a minesweeper launched recently at the plant of Victoria Machinery Depot Company Limited, in Victoria, British Columbia?
2. If so, when was such work suspended, and for what reason?

Mr. Dickey:

1. No.

2. Answered by No. 1.

SUSPENSION OF WORK ON MINESWEEPER AT VICTORIA, B.C.

Mr. Green:

1. Has work been suspended on a minesweeper at Victoria, British Columbia, the keel of which has been laid, but which is not ready for launching?
2. If so, when was such work suspended, and for what reason?

Mr. Dickey:

1. No.

2. Answered by No. 1.

GOVERNMENT PRINTING

Mr. Knowles:

1. Has consideration been given to the placing of all government printing in shops entitled to the use of the union label?
2. If so, what is the result of such consideration?
3. Has consideration been given to the use of the union label on government printing when such printing is done in union shops?
4. If so, what is the result of such consideration?

Mr. Bradley:

In so far as respects the Department of Public Printing and Stationery:

1. No. When a department requests the use of a union label on its printing requirements the order is placed with a printing shop entitled to use it, when the printing is not processed in this department.

2. Answered by No. 1.

3. No. Government printing bears the imprimatur of the queen's printer, and the question of adding the union label when a job is printed in a shop entitled to its use has not been considered.

4. Answered by No. 3.

PUBLIC SERVICE PERSONNEL—COMPENSATION OR REWARD FOR INVENTIONS, ETC.

Mr. Knowles:

1. Has the treasury board made any regulations under the provisions of section 7 (d) (i) of the Financial Administration Act, having to do with the offering of compensation or other rewards to persons in the public service for inventions or for suggestions designed to effect improvements in the handling of public business?
2. If so, what are the terms of such regulations?
3. If not, is consideration being given to the making of such regulations, and when will they be announced?

Mr. Sinclair:

1. No.

2. Answered by No. 1.

3. Consideration is being given to regulations and arrangements necessary for putting them into effect; the time of any announcement on the matter will depend upon approval of the proposals now being made ready.

QUESTIONS PASSED AS ORDERS FOR RETURNS

ARMAND DROUIN

Mr. Courtemanche:

1. Have any payments been made by any department of the federal government to Mr. Armand Drouin, barrister, Lac Megantic, since 1935?
2. If so, what amounts, and for what services, each year?

GUY BLANCHETTE

Mr. Courtemanche:

1. Have any payments been made by any department of the federal government to Mr. Guy Blanchette, barrister, Sherbrooke, since 1935?
2. If so, what amounts, and for what services, each year?

LOUIS PHILIPPE CLICHE

Mr. Courtemanche:

1. Have any payments been made by any department of the federal government to Mr. Louis Philippe Cliche, barrister, Lac Megantic, since 1935?
2. If so, what amounts, and for what services, each year?

BRITISH WAR MEDALS AND MERCANTILE MARINE MEDALS

Mr. Black (Cumberland):

1. Have British war medals been awarded to residents of (a) Nova Scotia; (b) Canada, in the last twelve months?
2. If so, to whom, and in recognition of what services?
3. Have mercantile marine medals been awarded to residents of (a) Nova Scotia; (b) Canada, in the last twelve months?
4. If so, to whom, and in recognition of what services?

BUSINESS OF THE HOUSE

STANDING ORDER NO. 60—SPEAKER'S RULING

Mr. Speaker: Probably I might at this time give my ruling with respect to standing order No. 60.

On May 20 the Prime Minister (Mr. St. Laurent) requested me to consider standing order No. 60 and to give my opinion as to its proper construction. On June 4 and

16 there were further discussions on this standing order, which reads as follows:

If any motion be made in the house for any public aid or charge upon the people, the consideration and debate thereof may not be presently entered upon, but shall be adjourned till such further day as the house thinks fit to appoint: and then it shall be referred to a committee of the whole house, before any resolution or vote of the house do pass thereupon.

All hon. members who have taken part in the discussions agree that the motion that the Speaker do leave the chair for the house to resolve itself into committee of the whole to consider a resolution preceding a money bill is debatable. In my opinion that is the correct view so long as subclause (a) of standing order No. 38 remains in its present form.

The question on which there is some difference of opinion is the extent to which debate is to be allowed. This question was considered by Mr. Speaker Glen on the 23rd of February, 1942. At that time he ruled that the debate should be directed to the negative of the motion and should be general with no reference to details.

I should point out that the motion is for the Speaker to leave the chair, etc. It is not a motion to adopt the resolution. However, under our present practice members have been debating it as if it were such a motion. The minister makes an affirmative statement, frequently going into details, with the Speaker in the chair, and other members follow. The result is that a full discussion of the resolution takes place at this stage. I am sure that is not the procedure contemplated by standing order No. 60, nor is it in accordance with Mr. Speaker Glen's ruling, in which I concur.

After giving this matter my careful consideration I have come to the conclusion that if there is no objection to the consideration of the resolution in committee of the whole, the motion that the Speaker do leave the chair should be put without debate. If any members are opposed to the resolution, and do not think that it should even be considered in the committee of the whole, or if they require additional information before agreeing to the motion, they should be given an opportunity to speak on the motion. The minister should endeavour to answer the objections which have been raised and to give the information requested.

Accordingly in my opinion the practice of the minister opening the debate on the motion for the Speaker to leave the chair for the house to consider in committee of the whole a resolution preceding a money bill should be discontinued.

When the discussion on this subject was before the house the other night a number of members expressed concern over the difficulty which the Speaker would have in keeping the debate within the limits of the above interpretation. I realize the difficulty but all I can do is to ask for the usual co-operation of all hon. members.

MEMBERS OF PARLIAMENT

PROPOSAL FOR LONG SERVICE PENSION PLAN—REFERENCE TO PRESS REPORTS

Mr. Daniel McIvor (Fort William): Mr. Speaker, I rise to a question of privilege just for the sake of fair play.

I notice that several papers have announced the proposed pension plan for members.

Some hon. Members: Order.

Mr. McIvor: I would say, Mr. Speaker, that the reports were not fair. The plan has been under discussion for over two years and it is neither fair to members of the committee nor to the Prime Minister (Mr. St. Laurent) that the newspapers have seen fit to report in the way they have. I was one of those who thought the Prime Minister was very cautious. Instead of having a spark of Irish in him, I thought he was a bit Scotch. He has proved to be cautious in the right way and this bill has not been rushed through. It is being sent to the committee on banking and commerce.

Thank you.

SAFETY OF LIFE AT SEA

USE OF RADIOTELEPHONE ON GREAT LAKES—APPROVAL OF AGREEMENT

Hon. Lionel Chevrier (Minister of Transport) moved:

That it is expedient that the houses of parliament approve the agreement for the promotion of safety on the great lakes by means of radio between Canada and the United States of America, signed at Ottawa, February 21, 1952, and that this house do approve the same.

He said: Mr. Speaker, at this stage I would like to table two copies of the agreement for the promotion of safety on the great lakes by means of radio. I understand the practice is to table those prior to discussion of the resolution.

The agreement referred to in the resolution has been under discussion and under consideration by Canada and the United States for some months. The purpose of the agreement is to provide for the safety of life on the great lakes by means of radiotelephone or the installation of radiotelephony equipment. This agreement will not come into force until two years after it has been ratified by both parties. It may be terminated after a period of five years, providing a notice of twelve months has been given. The agreement authorizes the use of radiotelephony as

a means of communication and for transmission of distress signals by ships on the great lakes, on the distress frequency of 2182 kilocycles and the continuance of the present working frequencies. It provides also for the compulsory installation of radiotelephone equipment on

(a) All great lakes shipping of 500 gross tons and over.

(b) All passenger carrying vessels over 65 feet in length.

(c) On every vessel of less than 500 gross tons engaged in towing another vessel of 500 gross tons or over or any floating object having dimension of 150 feet or more, unless the towing vessel or object complies with the agreement.

The agreement further requires that a continuous listening watch be maintained on the distress frequency of 2182 kilocycles by all vessels that are subject to this agreement. It also stipulates that each government shall undertake to ensure that necessary arrangements are made for a listening watch by coast stations on that frequency. All of the provisions of the agreement apply to vessels subject thereto while they are being navigated on the great lakes or connecting channels such as the St. Mary's river, the St. Clair river, lake St. Clair, the Detroit river, the Welland ship canal and the river St. Lawrence as far east as the lower exit of the Lachine canal and the Victoria bridge at Montreal.

Provision is made in the agreement for the exclusion of various ships of war, such as destroyers, corvettes and the like, together with vessels in tow, vessels not self-propelled by mechanical means, government vessels not engaged in trade and certain others as specified in article 3. In general terms, as set forth in the preamble of the agreement, the purpose of the agreement is to promote safety of life and property on the great lakes of North America by means of radio, and especially to make provision for radiotelephone communication for safety purposes, including communication as an aid to navigation.

Basically, the agreement constitutes mutual recognition by the governments of the two countries that radiotelephony, which enables direct communication between vessels as well as from ship to shore, should be the primary means of promoting safety on the great lakes. Radiotelephony, as the house knows, is now used extensively and effectively on the great lakes as a means of aiding navigation and of securing assistance in time of distress. So far as radio is concerned, the great lakes presents specialized problems requiring special treatment based on local conditions. The peculiar requirements of the great lakes have promoted a rapid development of ship-to-ship and ship-to-shore radio telephone communication. This has been a rapid and largely spontaneous development on the part of the shipping industry.

Technical regulations have been appended or annexed to the agreement which I tabled a moment ago, and it is provided in article 1 of the agreement that these regulations may be amended, as may be necessary, by agreement between the two governments. The house will have an opportunity of seeing the provisions of the agreement. I do not want to go into them at this stage in detail, but perhaps a general review will serve some purpose.

Article 1 of the agreement contains general provisions for the carrying out of the agreement and its applications to vessels of all countries.

Article 2 contains definitions of terms found in the agreement.

Article 3 defines the categories of vessels to which the agreement applies, and also those which are excluded from the application of the agreement.

Article 4 stipulates that a vessel which is not subject to the agreement does not become subject thereto due to stress of weather or *force majeure*.

Article 5 provides for the making of necessary arrangements for a listening watch by coast stations on the distress frequency.

Article 6 provides for exemption of vessels either partially, conditionally or completely from certain of the provisions of the agreement relating to technical operations.

Articles 7 to 14 inclusive contain provisions affecting technical operations, including those relating to operators, radiotelephone installation, vessel records, authority of the master, inspections and surveys, certification and privileges, issuance of certificate on request of responsible administration, and control.

Article 15 provides that the two governments, to the extent permitted by their respective constitutional procedures, will undertake to assist the vessels of other countries in meeting the requirements of the agreement.

Article 16 relates to the exchange of information respecting laws, regulations and reports.

Articles 17 and 18 provide for ratification, coming into force, duration and termination.

I should like to say just one word about the number of ships affected by this agreement. With respect to the number of vessels of Canadian registry which will be subject to the requirements of this agreement, I should like to point out that there are 221 cargo

vessels of 500 tons or over already fitted with radiotelephone and affected by this agreement, and 90 of those will require some improvement of their installations. This means that 131 vessels are now equipped with radiotelephony in accordance with the terms of the agreement. There are 19 passenger vessels over 65 feet in length affected by the agreement. Two require more up-to-date apparatus, and four will require to be fitted with the prescribed equipment. The very fact that so many operators voluntarily have equipped their vessels with radiotelephone installations is a clear indication of their preference for radiotelephony. It is considered the two-year period above-mentioned is ample time to permit adaptation to these regulations.

The implementation of this agreement will require an amendment to section 406 of the Canada Shipping Act, which is the governing section, to provide that ships subject to the agreement shall be fitted with a radiotelephone installation. It is the intention of the government to introduce at the next session of parliament an amendment to section 406 so as to make this provision of the agreement applicable. Perhaps here I could anticipate questions from the opposition as to whether or not this will be referred to a standing committee of the house. The government feels that that is not necessary at this time, in view of the statement which I have just made, because when the section is amended at the next session of parliament it will unquestionably be necessary to refer the whole of the agreement to a standing committee.

The obligations of the agreement will apply to ships on international voyages beginning or terminating on the great lakes or St. Lawrence river above Montreal, in addition to the obligations to which they are subject under the international convention for the safety of life at sea. The imposition of these additional obligations on ships in inland waters does not appear to conflict with the international safety convention. This agreement should work to the advantage of the safety convention ships using the great lakes and the St. Lawrence river above Montreal, as it will place at their disposal the extensive radiotelephone facilities which will be provided by coast stations and ships operating on the great lakes. Assistance will be given to foreign ships requiring such assistance by a depot established at Montreal where equipment will be available at low cost. It is expected that there will be only a minor demand for this equipment, inasmuch as vessels now plying on the great lakes from outside points are usually equipped with radiotelephone, or will be so equipped in the very near future with the adoption on a world-wide basis of the frequency of 2182 kilocycles for safety and distress radiotelephone communication.

The government has recognized for some time the need for an agreement with the United States dealing with the use of radio on the great lakes. This matter has been under consideration between the two countries for some years and the agreement which is the subject of this resolution has been carefully prepared by representatives of both countries. It has been received favourably by the shipping operators on the great lakes. The government considers that, if ratified by both countries, the agreement will be beneficial to shipping on the great lakes, and I recommend that approval of the resolution be given by this house.

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, the official opposition approve of this treaty primarily of course because it is to further the safety of life on the great lakes. In the ordinary course we believe it would have been wise to have the agreement considered by one of the committees of the house; but in view of the fact that the session is in its last stages and that the house is sitting such long hours we doubt whether anything would be gained by so doing. The minister did not give that reason for not referring the agreement to a committee; but perhaps if we put his reason and our reason together, we can agree that there should be no reference to a committee. However, since the matter is not to be referred to a committee I should like to place before the minister, on behalf of the official opposition, four or five questions in connection with this agreement, and I hope he will answer them when he closes the debate; or if there is no procedure for him to close the debate, perhaps the house would consent to have him deal with these particular questions.

Mr. Knowles: It is a substantive motion.

Mr. Green: In the first place, article 3, subsection 2, clause (d) provides that all government vessels are exempt from the provisions of this agreement. That provision will apply not only to Canadian and United States government-owned vessels but also to vessels owned by any foreign government. We believe that these particular vessels should not be exempt. If the vessels are of the size which would call for compliance with the agreement if they are privately owned, then surely government vessels should at least be equipped in the same manner as the private vessels. Perhaps it is the intention that such should be the case. There does not seem to be any reason at all why government vessels should not comply with these provisions which are designed to promote the safety of life. Some vessels coming here

which belong to other countries will be owned by foreign governments. Certainly they should have to comply with the provisions.

Then I would point out to you, Mr. Speaker, and to the house that the exemptions contained in this agreement are extremely wide. We hope that the Canadian government will not take advantage of the power to give such wide exemptions. For example in article 3, subsection 2, there is a provision to the effect that where a vessel is not making more than two voyages on the great lakes in any one calendar year, she may be exempted from many of these provisions. It will still be necessary for that vessel to have what is called a safety radiotelephony certificate, and to meet the radio frequency requirements. But as I read this particular part of the agreement such a vessel can be exempted from having an officer or some official on the ship who is qualified, and from carrying out what are the most important requirements contained in the agreement.

In article 6 there are even wider exemptions. If the Department of Transport takes advantage of these powers practically any ship could be exempted. The first subsection of the article reads as follows:

Each contracting government, if it considers that the conditions of the voyage or voyages affecting safety, including but not necessarily limited to the regularity or frequency of the voyages, the route or routes, the maximum distance of the vessel from shore, the length of voyage or voyages, and the absence of general navigation hazards, or other circumstances,—

I would point out, Mr. Speaker, that those specific cases are listed; but there is, in addition, the broad right to exempt to a wider degree. The article continues:

—are such as to render the full application of articles 7, 8, and 9, or any of them, of this agreement unreasonable or unnecessary, may exempt—

And here is the specific power given to the department.

—partially, conditionally, or completely from the provisions of articles 7, 8, and 9, or any of them, any individual vessel for one or more voyages or for any period of time not exceeding one year from the date of exemption.

We hope that little use will be made of those wide exemption powers. If that particular article is used extensively, there is a hole made in the agreement which would render it of comparatively little value. We should like to have from the minister a statement with regard to the policy of the government in granting these exemptions.

Then another question which is bothering us is the provision in article 7 of the agreement for compelling continuous effective listening. Subsection 1, clause (a) provides:

There shall be on board, as an officer or member of the crew of vessel, at least one person whose qualifications for radiotelephone operation for safety purposes on the great lakes have been certified by the contracting governments.

That provision, of course, is perfectly reasonable.

Mr. Chevrier: What article is the hon. member reading?

Mr. Green: Article 7, subsection 1, clause (a). Then clause (b) of the same subsection reads as follows:

From among those certified persons, the master shall designate one or more who shall operate the radiotelephone installation.

But it goes on to say this:

The duties of the persons so designated need not be restricted to duties in connection with the radiotelephone installation but may include any and all duties assigned them by the master.

In other words, the officer or member of the crew can be a freight checker, a purser, a steward or he can carry on any other duties on the vessel.

Then clause (c) goes even further. It reads:

Except when the radiotelephone installation is being used to transmit or receive on frequencies authorized for the maritime mobile service, there shall be continuous effective listening on the distress frequency by aural means by at least one officer or member of the crew who has been designated by the master to perform such listening.

Then we find this further sentence:

The person so designated by the master may simultaneously perform other duties relating to the operation or navigation of the vessel, provided that such other duties do not interfere with the effectiveness of the listening.

We have had difficulties on the west coast arising out of people having double jobs of that kind. There has been a considerable use of the radiotelephone on vessels, but the person who is supposed to be listening to the radiotelephone may have half a dozen other jobs to do; and even in the case of the radiotelegraph, that is the ordinary Marconi, we have had complaints of Marconi operators being put on other jobs, having to check the freight and look after various other duties, with the result that the radiotelegraph has not been properly watched, and there has been the same trouble with the radiotelephone.

Just a year or so ago we had an instance of a passenger vessel approaching the entrance to Vancouver harbour in a fog. It had a radiotelephone, and the operator on the First Narrows bridge was warning the vessel that it was running into the rocks; and yet, because there was nobody listening, no attention was paid to the warning and the vessel piled up on the rocks of Stanley park.

I should like to warn the minister that making provisions of this kind, whereby the

duties of the man responsible for the radiotelephone can be expanded to cover other different duties, is bound to mean that he pays just that much less attention to the radiotelephone, and the end result is that you greatly weaken your provision for safety of life on the great lakes. I hope that the department will give consideration to that feature when preparing the legislation which is to be submitted next year.

Article 5 provides that:

> Each contracting government undertakes to ensure that necessary arrangements are made for a listening watch by coast stations on the distress frequency.

Obviously there is not a great deal of point in compelling ships to have radiotelephone if there are no proper stations on the shore with which they can communicate. We should like to know from the minister whether or not the Department of Transport is now in a position to provide the proper listening watches by coast stations? Will it mean the establishment of more coast stations than there are at the present time, or what is to be done by Canada to implement that particular article of the agreement?

Finally, I can find no provision in this agreement dealing with radiotelegraphy as distinguished from radiotelephony. I would have thought that the agreement would provide that radiotelegraph could be used as an alternative, but there seems to be no such provision. It is hoped that ocean-going vessels will come into the great lakes when the St. Lawrence waterway has been constructed. In all cases these ocean-going vessels will have radio operators. I would think that would be the position with practically all of the ocean-going freighters which would come into the great lakes. I believe that that eventuality should have been foreseen. We would hope that there will not be any removal of the safety provisions in connection with radio on these deep-sea vessels.

As the minister knows, there has been a good deal of complaint in British Columbia about the shipping companies trying to have regulations made so that they could use the radiotelephone instead of using the ordinary Marconi. Some of us who represent coastal ridings have felt that the lives of persons travelling on passenger vessels were being endangered because there were not sufficiently stringent regulations compelling the use of a Marconi operator, and we do not want to have any legislation passed by the Canadian government which would have the effect of making that situation worse even on the great lakes. When the minister closes the debate I would ask him to explain just how the plans for radiotelephony fit in with the ordinary Marconi.

There may be other points which have come to the attention of other opposition parties. We have had this agreement only a short time and there has not been a great deal of opportunity for study. I would ask the minister to deal with these questions which I have raised.

Mr. M. J. Coldwell (Rosetown-Biggar): The hon. member for Vancouver-Quadra has I think covered the ground pretty well. The questions that he asked of the minister are ones that should be answered. Just as the hon. member says, we have had this agreement so recently in our hands that very little study had been given to it by myself, as a matter of fact, and I have not been back in the house except for the last few days. However, I endorse what he has said regarding the necessity of having competent people on board the lake ships who will be able to take any messages that come to the ship at any time.

Another important matter is that someone among the personnel aboard the ship, whether it be on the lakes, on the Pacific coast or on the Atlantic coast, wherever passengers are carried, should be competent to repair any break-down of the apparatus. I think that is a very important matter. I was on a ship off the Pacific coast a year or two ago, and I found that on most of the ships, while the radar was in operation, there was no one competent to make even a minor repair if anything went wrong with the apparatus. What is true of radar of course is even more true regarding the radiotelephone system. Anything that we can do by way of legislation and regulations to prevent the loss of life at sea, apart altogether from the loss of property involved, we should do in this house. I welcome the agreement. We have had several very serious disasters in the last few years which have given something of a black eye to our shipping on the great lakes as well as in our coastal waters. The more we do in the way of regulation and subsequent legislation to ensure absolute safety—radiotelegraph, Marconi, radar, or whatever it may be —the better it will be for our own shipping interests and for the good name of the country in which we live.

All I wish to say is that we join in supporting the agreement; and we hope that when further amendments are made to the statutes consideration will be given to some of the matters that have arisen and are not covered by this agreement.

Mr. W. Chester S. McLure (Queens): Mr. Speaker, I should like to call to the attention

of the minister, before this resolution becomes effective, that we have similar problems on the coastal range of the Atlantic. I would mention particularly Northumberland strait. Why could not this provision be made applicable to the Atlantic as well as to the great lakes service?

On several occasions lately I have discussed with the minister the matter of coastguard protection in the Atlantic region. When this resolution is going through, I am wondering why some further protection could not be given to our ships and sailors on the Atlantic seaboard, as well.

Mr. A. W. Stuart (Charlotte): Mr. Speaker, I do not know that the type of equipment to which reference is made in this resolution is the same as that used along the Atlantic coast line. I would say however that in my opinion radiotelephone has been of greater assistance to boatmen on the Atlantic coast line than any other improvement in the last fifty years.

When the minister points out that this is an international agreement, I am reminded of the period of time during the war when it was found necessary to discontinue this service. In other words, boats that had been equipped with radiotelephone were obliged to remove that equipment during wartime, and it was of course costly equipment.

In the section from which I come both Canadian and American boats are plying those waters. I would say without fear of successful contradiction that two-thirds of the boats there, even those fifty feet in length, are today equipped with radiotelephones, and it is the greatest convenience one could imagine for those who operate the boats. The radiotelephone service is installed usually by the owners of the freighters and carriers. I would point out however that today many of our individual fishermen have installed a similar service.

Approaching the matter from its international aspect, I would point out that today even taxicabs operating along the international border must disconnect their radiotelephone equipment upon crossing the border, and upon returning it is connected again. This is a great nuisance to those who are operating taxis.

I believe the minister's suggestion is one that will be endorsed by all those who have knowledge of conditions on the water. We know that radiotelephone is a great convenience. I cannot see however that the services of a full-time operator would be necessary. I have said that I am not fully aware that the equipment here indicated is exactly the same as that used along the Atlantic coast line, but in what I am saying I am taking it for granted that this is so. In those circumstances I think it is not necessary at any time to have a full-time operator. This involves an additional cost for boat owners who are operating under conditions of great expense today, and who must pay high wages.

I support the resolution because I believe any type of radiotelephone connection is helpful in any area where it can be provided.

Hon. Lionel Chevrier (Minister of Transport): Mr. Speaker—

The Acting Speaker (Mr. Robinson): If the minister speaks now he will close the debate.

Mr. Chevrier: Mr. Speaker, I understand I am not in order in speaking at this time. If I could have permission of the house I should like to deal with some of the objections raised.

Mr. Knowles: It is a substantive motion, and the minister has the right.

Mr. Pouliot: You are always in order.

Mr. Graydon: And you are among friends.

Mr. Chevrier: I am not so sure about the last statement.

I am most grateful to the house for the manner in which the debate has taken place. I have listened with interest to the general approval given to the agreement signed by Canada and the United States, subject of course to certain apparent deficiencies, as they have been pointed out by hon. members who have taken part in the discussion.

The object and purpose of the agreement is of course an excellent one, and this was made particularly evident in the remarks of the hon. member for Charlotte (Mr. Stuart) who made special reference to the beneficial effects of radiotelephone in certain areas.

I believe there can be no doubt that in the minds of a great majority of those using the great lakes, radiotelephone is more efficient than radiotelegraph when operating within a restricted area. That is why I think there must be general agreement as to the purpose and object of this agreement signed between Canada and the United States. Radiotelegraph has of course a greater range, and unquestionably can do a better job on international voyages. But within the area covered by this agreement I do not think there is any doubt about the superiority of radiotelephone over radiotelegraph communication. That, at least, seems to be the opinion of the experts.

Turning now to the questions that have arisen, I need not say to the house that when an agreement of this kind has been under

negotiation for several years it must of necessity have been arrived at by compromise. There are many things in the agreement we would have liked to see otherwise; but in our anxiety to reach a decision as to the mandatory installation of telephone equipment on our ships on the great lakes, we did consent to certain compromises.

That is the general answer I would make to some of the objections raised. And, dealing more particularly with those objections, we hear the question asked as to why government vessels are exempt. Our view was that they should not have been exempt. We felt all along that there should have been application of these regulations to our vessels.

Mr. Green: The minister is referring to government vessels?

Mr. Chevrier: Yes. However, the other party to the agreement thought otherwise. As a matter of fact I do not think it makes any difference because I can say now that the vast majority if not all of the government vessels operating on the great lakes are today equipped with radiotelephone facilities.

Then there was the suggestion that there are too many exemptions. In article 3 there are exemptions for certain ships, provided they do not make more than two voyages. In article 6 there is a general policy of exemption covering a wider field. It has been asked what the policy of the government is with reference to these additional exemptions. My answer to that is that the Canada Shipping Act, the international convention for the safety of life at sea and this agreement all make provision for certain exemptions. In fact in the Canada Shipping Act there are a number of sections giving the minister discretion, after recommendation from the board of steamship inspection, to grant exemptions. I think there should be exemptions for both parties because I can visualize a number of cases that might well arise when, if it were not possible to grant an exemption, it would be altogether impossible for the ship to go to sea. I can think, for instance, of exemptions now granted under the Canada Shipping Act in cases where the operator of a ship has no qualified mate or an engineer, and consequently would not be able to proceed and his whole operation is held up. There is provision in the act for that kind of exemption.

Mr. Green: The minister is not thinking of the Ming Sung ships, is he?

Mr. Chevrier: No, I was not thinking of them at this time although I believe that the exemptions in that case were wisely given. They may not have turned out as my hon. friend and I would have wished but I am still hopeful that notwithstanding the present position it will be possible to recoup a substantial amount of our money involved in those operations. I should like to get back to the exemptions with which I was dealing. It is not the intention of the government to use its discretion widely in granting such exemptions. I should not like to be tied down to what I say now, but I will say that on the contrary our intention is to exempt some ferries and perhaps also in some cases to reduce the power of equipment. Again I should not like to be tied down to this statement, but I will also say that beyond that I cannot visualize any general exercise of the discretionary powers by way of exemption.

I was also asked about the article governing coast station listening watches, how they are operating, is there a sufficient number in operation and will more have to be established. No greater number of listening posts will have to be established than are now in operation. As a matter of fact these listening posts have been in operation since 1938, I believe it is. They are effective and efficient, and we do not think it will be necessary to add to their number. We think that those existing now on the great lakes at places such as Kingston, Toronto, Port Burwell, Point Edward, Midland, Sault Ste. Marie and Port Arthur are sufficient to look after the operation of shipping on the great lakes at least on our side of the boundary line.

I was asked to differentiate between radiotelephone and radiotelegraph operations and to say why there is no provision here for radiotelegraph. I think I anticipated the answer in my opening remarks when I said that radiotelephone is more effective in a shorter range. The reason why radiotelegraph is excluded entirely from the operation of this agreement is that the range of radiotelephone is all that is required for the protection of life and property within the area of the great lakes. The law as it now stands is found in section 406 (2) (a) of the Canada Shipping Act which provides for the installation of radiotelegraph equipment on certain vessels. For instance the act requires passenger steamships to carry radiotelegraph apparatus and a radio operator when they fall within one of the three following categories, namely, (1) carrying fifty or more persons and going on a voyage of more than 200 nautical miles; (2) carrying 250 or more persons and going on a voyage of more than 90 nautical miles; and (3) carrying 500 or more persons and going on a voyage of more than 20 nautical miles.

In addition, there is provision in section 406 (2) (b) covering the requirements for cargo vessels of 5,000 gross tons and over. They have to carry radiotelegraph apparatus and a radio operator on voyages of more than 200

nautical miles. The law as it exists now is covered in those two sections. Then of course there is the international convention for the safety of life at sea which excludes the great lakes.

Mr. Green: Includes or excludes?

Mr. Chevrier: Excludes the great lakes. Therefore this agreement with reference to the compulsory installation of radiotelephone equipment will be restricted to the area of the great lakes as far east as the lower exit of the Lachine canal. Any ships travelling beyond the great lakes into the gulf of St. Lawrence and from there into the ocean, or vice versa, will be subject not only to this agreement but also to the international convention for the safety of life at sea which requires the installation of radiotelegraph equipment. That is the distinction which exists between the radiotelegraph and the radiotelephone and the reason why radiotelegraph is not included in the agreement.

Some objection was raised on the ground that it is not a good thing to allow an operator to do more than one job. It was said that it was not a good thing to have a man carry on as a boatswain, a mate or an assistant mate and at the same time listen to the telephone. I think the hon. member for Charlotte (Mr. Stuart) covered that. I do not know if my hon. friend has been on these ships when they are in operation. I have on a number of occasions, and I think the procedure is simple and one which works out quite satisfactorily. The loudspeaker is on the bridge and is tuned in to the frequency of 2182 kilocycles. There are always two if not more persons on the bridge, the master and a couple of mates. With that frequency tuned in it is a very simple thing for a man to listen to the radiotelephone and at the same time carry on his duties as mate, assistant mate or second assistant mate.

I have seen it done frequently in the summer months and I think it operates efficiently. There is no doubt but that the two parties to this agreement thought so, and I am sure they came to that conclusion because of the experience their nationals have had over the years. Some question was raised whether this agreement is applicable to the Atlantic region. The treaty covers the great lakes and the operation of ships between Canada and the United States. It is not made applicable to the Atlantic region. What is applicable to the Atlantic region is sections 406 (2) (a) and 406 (2) (b) of the Canada Shipping Act which require the installation of radiotelegraph equipment and the operation of that equipment. A good many ships now operating in that area have radiotelephone. It is not mandatory but they have it over and above the radiotelegraph equipment. That position will be covered by an amendment to section 406 of the act which it is proposed to bring in at the next session of parliament when we implement this agreement.

[Mr. Chevrier.]

Mr. Stuart (Charlotte): Might I ask the minister a question? When you speak of radiotelegraph and radiotelephone, would it not be necessary with radiotelegraph to have trained and experienced operators, whereas with radiotelephone any officer of the ship could operate?

Mr. Chevrier: Yes, my hon. friend is quite right in that assumption. I do not know that I can add much more to this because, as I indicated earlier, there will be full opportunity to discuss the terms of this agreement when the amendment to section 406 of the Canada Shipping Act is brought in at the next session of parliament. I here state that I will introduce that amendment and I take it that in the usual course it will be referred to the appropriate committee.

Mr. Pouliot: I would like to ask a question of the minister. What is the tonnage of the boats that will be affected by this agreement?

Mr. Chevrier: Earlier I indicated that there were three groups of ships affected. They are set out in article 3:

(a) Every vessel of 500 gross tons or over.
(b) Every passenger carrying vessel over 65 feet in length . . .
(c) Every vessel under 500 gross tons engaged in towing another vessel of 500 gross tons . . .

The Acting Speaker (Mr. Robinson): Is it the pleasure of the house to adopt the motion?

Motion agreed to.

KOREA

CANADIAN TROOPS ON KOJE ISLAND—REPLY TO REPRESENTATIONS TO UNITED STATES

On the orders of the day:

Mr. M. J. Coldwell (Rosetown-Biggar): May I direct a question to the Secretary of State for External Affairs (Mr. Pearson). Has he received any reply to the representations that were made to Washington regarding the sending of Canadian troops to Koje island and their duties there? If so, would he make a statement?

Hon. L. B. Pearson (Secretary of State for External Affairs): Yes, Mr. Speaker, a reply was received by the department this morning. I have not had a chance to give it consideration and I would not want to say anything at the moment. I may be able to make a statement tomorrow or the next day when my estimates are before the house.

GERM WARFARE

STATEMENTS OF DR. ENDICOTT

On the orders of the day:

Mr. J. H. Ferguson (Simcoe North): I should like to direct a question to the Minister of Justice. I am sorry I was not able to give him notice, but that is due to the fact the literature only arrived on the desks of the members of this house today from a peace movement headed by Dr. Endicott. This literature states that 10,000 people assembled in Massey Hall were given proof of the use of poisonous gas and germ warfare by the United Nations troops, troops that are associated with our Canadian unit. This cancerous, termite group is able to address 10,000 people in Massey Hall—

Mr. Fournier (Hull): Order, that is not a question, it is a speech.

Mr. Ferguson: What procedure is the government going to adopt—I am making it, not you.

The Acting Speaker (Mr. Robinson): May I request the hon. member to ask his question.

Mr. Ferguson: I was asking the question when I was rudely interrupted. The question is: In view of this literature which has been distributed throughout this House of Commons, and I presume the Senate, is the government in a position to make a statement as to what steps they are taking to stop this seditious literature that is being circulated throughout Canada? What steps are we taking to stop this kind of cancerous condition that exists in Canada today, and should be stopped?

Hon. Stuart S. Garson (Minister of Justice): The hon. member not having given me notice of his question, Mr. Speaker, I shall take his question as notice and bring down an answer.

FISHERIES

REQUEST FOR EXTENSION OF LOBSTER FISHING SEASON AND ASSISTANCE TO FISHERMEN

On the orders of the day:

Mr. W. Chester S. McLure (Queens): Have the officials of the Department of Fisheries received from the Prince Edward Island fisheries federation an urgent request for the extension of the lobster fishing season to July 12, 1952?

If so, has this been granted?

While I have the floor, Mr. Speaker, I wish to direct a second question to the Minister of Fisheries (Mr. Mayhew): In view of the very heavy losses in lobster fishing gear, namely traps and equipment, due to ice conditions in May and at a later date to very heavy storms, will the department now give consideration and financial assistance to compensate for losses of the north shore and south shore fishermen in Prince Edward Island?

Hon. R. W. Mayhew (Minister of Fisheries): Mr. Speaker, the hon. member was kind enough to send me notice of both questions and I will endeavour to answer them.

As far as the first one is concerned, regarding the extension of the lobster fishing season to July 12, it is apparently an urgent matter. The department has received wires about it and I think that all other maritime members and senators have received similar wires. I can assure the hon. member that this matter is being considered at the present time. We have made inquiry from our inspector there to see if the request for extension is justified. The request is based on the fact that there has been bad weather and also that there were losses of gear earlier in the season.

On the second question, the policy of the government in such matters has been that they consider it a matter of relief. If it is of a nature or kind beyond the competence or capacity of the provincial government to deal with, that government may come to the federal government and ask for assistance. On the basis of the request and the size of the undertaking the government will decide whether or not assistance will be granted. Up to the present time the government of Prince Edward Island has not made application to us for assistance.

Mr. Black (Cumberland): May I ask the minister when he would expect a decision with respect to the extension of the season? What affects the spring season in Prince Edward Island applies equally to the spring season on the north shore of Nova Scotia and Northumberland strait.

Mr. Mayhew: Mr. Speaker, to my knowledge no request has come to the department from the fishermen in that area but may I suggest that I take this as notice and tomorrow morning on my estimates I will be pleased to answer any of these questions.

COMMISSION MEETING FOR NORTHWEST ATLANTIC FISHERIES—CANADIAN REPRESENTATION

On the orders of the day:

Mr. S. R. Balcom (Halifax): I should like to direct a question to the Secretary of State for External Affairs. Does he plan to have a representative of his department at the annual meeting of the international commission for the northwest Atlantic fisheries being held at St. Andrews, New Brunswick, from June 30 to July 9, 1952?

Inquiries of the Ministry

Hon. L. B. Pearson (Secretary of State for External Affairs): The hon. member was good enough to give me notice of his question. Because the conference will be concerned largely with scientific matters relating to fisheries, the Department of External Affairs will not be represented at the second annual meeting of this commission. Canada, however, will be represented by the three Canadian commissioners, Dr. Bates, the deputy minister of fisheries, Mr. R. Gushue and Mr. Howard MacKichan. The commissioners will be assisted by Dr. Needler and other scientific advisers from the Department of Fisheries.

ST. LAWRENCE WATERWAY

UNITED STATES ACTION

On the orders of the day:

Mr. Gordon Graydon (Peel): In view of the fact that word has just been received that the United States senate has sent the St. Lawrence seaway bill back to committee, I understand on a vote of 43 to 40—which would appear to kill it until the 1953 session of congress—may I ask the Minister of Transport (Mr. Chevrier) what significance and effect that decision of the United States senate will have on our own plans for proceeding with the waterway?

Hon. Lionel Chevrier (Minister of Transport): Mr. Speaker, I should think it would have little or no effect at all on the present negotiations which are going on between Canada and the United States with reference to the project which we have had in mind. By that I mean that even when the matter was before the United States congress negotiations had been started, following the talk which the Prime Minister (Mr. St. Laurent) had with the President of the United States in September of last year, to prepare for a joint application before the international joint commission. That application is proceeding satisfactorily. It has reached a stage where it should be possible to go before the international joint commission; so that the decision of congress should not interfere in the slightest with the intention of Canada to proceed with its own development of the seaway on Canada's side of the boundary and also to proceed before the international joint commission with the concurrence of the United States, in so far as the development of power is concerned.

Mr. Graydon: May I suggest to the minister that this country has given the United States a pretty long time to make up their minds in connection with this matter and it would seem to me that as far as their participation is concerned we had better go ahead with this job alone rather than bother with their intervention at all.

[Mr. Balcom.]

Mr. Coldwell: I was going to ask the minister this. He said that the application has reached the stage where it will be possible to make the joint application. Does the minister mean that the application is going to be made forthwith?

Mr. Chevrier: We are proceeding along those lines now.

My hon. friend will remember that the legislation introduced at the last session covered both alternatives. If congress had approved we would have proceeded along the lines of the 1941 agreement. If they had not, we would avail ourselves of the alternative procedure, and make application before the international joint commission.

Mr. Coldwell: It was the phrasing of the minister's reply that I wanted clarified.

Mr. Graydon: The decision of the senate this morning does not mean that concurrence will not be forthcoming with respect to the application to the international joint commission? This only concerns the question of their financial participation in the scheme?

Mr. Chevrier: They are two different projects altogether.

CANADIAN NATIONAL RAILWAYS

PROVISION TO RELEASE CANADIAN NATIONAL RAILWAYS FROM CERTAIN CLAIMS BY HER MAJESTY IN EXCHANGE FOR PREFERRED STOCKS, ETC.

Hon. Lionel Chevrier (Minister of Transport) moved that the house go into committee to consider Bill No. 308, an act to revise the capital structure of the Canadian National Railway Company and to provide for certain other financial matters.

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

On section 1—*Short title.*

Mr. Pouliot: I will not insist, Mr. Chairman, on the fact that we have not received the printed copy of the evidence taken at the sitting of the committee last Tuesday, June 10, but we will examine the first section of this bill. I have some facts to lay before the house to make the committee better acquainted with this piece of legislation.

In the first place, I must say that there is some confusion in the finances of the Canadian National Railways, because there is only one man in Canada or in the world who can explain it. You and I, Mr. Chairman, cannot explain it. The leaders of the parties in the house cannot explain it, either. The minister cannot explain it. The official critic of the opposition and all the gentlemen who are interested in figures cannot explain

it. Who said that? The president and chairman of the railway at page 155 of the report of April 29. Mr. Fulton had asked a question and then Mr. Gordon said:

The only man in Canada or in the world who can explain that is Mr. Cooper.

I am not surprised. I knew that.

Mr. Chevrier: He corrected that afterwards.

Mr. Fraser: He corrected that statement at the last meeting of that committee.

Mr. Pouliot: Yes, perhaps, but this was the voice of the heart.

Mr. Macdonnell (Greenwood): He corrected it, because I asked him and he corrected it.

Mr. Pouliot: That is all right; something was known in the meantime, but it is right here and the hon. member knows that it is right here. I do not repeat that statement as my own. I quote faithfully a statement that has been made by the president and chairman of the Canadian National Railways in a meeting of the railways and shipping committee. That statement explains a lot. It throws a vivid light on the whole financial structure of the Canadian National Railways.

Now, sir, I was very much interested to know if there was some co-operation between the board of directors and the management concerning the procedure to approve the financing of the railway. I insisted on having the bylaws, and on knowing how the gentlemen who represent the government of Canada on the board of directors manage that railway, and consequently how the decisions are arrived at: In the first place I asked for the bylaws in virtue of chapter 172 of the Revised Statutes of Canada of 1927. On May 26 the minister told me they were old bylaws passed at the time of Sir Henry Thornton. They existed. He told me that he would be ready to give them to me for my information. I thanked him. I accepted them. The other day the house did not want me to put them on the record; and for the punishment of the house I will not read them; it is a sanction. The curiosity of hon. members will not be satisfied, if they have any.

But afterwards chapter 172 was amended in 1928, 1929 and 1931 by statutes that everybody knows. Then I asked for the production of the bylaws passed in virtue of chapter 172 as amended. Owing to the change of times and the turning of the earth, I thought there would be new regulations in virtue of the Canadian National Railways Act as amended. The minister told me that there were bylaws passed not in virtue of the Canadian National Railways Act, chapter 172, but in virtue of the general Railway Act, chapter 170. On June 10 I asked the chairman and president what those regulations were; he told me that there were none except for some providing for cuspidors, for notifying the passengers on trains not to play poker, and things of such importance. There were no regulations. I am sorry I have not the printed copy of the report here, because I would quote it verbatim; but my memory is good enough to recall what happened on Tuesday last. At the present time therefore there are no regulations such as there were at the time of Sir Henry Thornton in order to have some order in the dealings of the board of directors with the management and also with the financing of the company. It is not a success. When I say that I have only praise for the Minister of Transport, for the staff of his department and also for many officials of the railway who are nice fellows and who are easier to deal with than are some others.

I now come to the matter of the finances of the Canadian National Railways. The gifts acknowledged to have been made to the railway by the Canadian government may not amount to $4¼ billion—"b" for "boy"—but they amount to at least $2 billion in 15 years. My authority for that statement is chapter 22 of the statutes of 1937 which quotes the exact amount of the debts of the Canadian National Railways which have been cancelled, and gives the figure of $1,218,642,195.27. Besides that I have also the authority of the minister himself as reported at page 3067 of *Hansard* to this effect:

My hon. friend—

Referring to me.

—said the total amount involved in this measure was $1,400 million by way of relief. That is not so. The amount under this bill, as I said earlier, is $736 million.

"M" for "Mary" or "Moses". If we add together $1,218 million and $736 million, we have that figure of $2 billion which is the minimum of the gifts that have been made to the Canadian National Railways. That is something which is worth considering. I am surprised that so many members of the opposition were quick to come to the rescue of the president and chairman when I quoted faithfully the remark that had been printed in the official report. Again I made the distinction that I made on June 6 with regard to the answer to questions, by Canadian National Railways, about the financing of that railway. On June 2 I was answered thus by the Canadian National Railways and their answer was conveyed to the house by the minister. The first question was:

1. Since 1923, what has been the total yearly amount of (a) advances and loans made; (b) guarantees given, by the government to the Canadian National Railways?

The answer was:

1. Financing for the Canadian National Railways has in each year since 1923 received consideration and approval by the government and is recorded in the statutes.

I know that quite well; but I have the right to get that information from the Canadian National Railways. I am not surrounded by statisticians who can do that research for me. I do my own work. We must have some co-operation in order to know what is going on. The second question was:

2. Since that date, what amount of the debt of the Canadian National Railways has been written off by the Canadian government?

The answer was:

2. See answer to No. 1.

That is a fine answer. The third question was:

3. Since 1923 what amounts have been spent in each province by the Canadian National (a) for the construction, maintenance and repair of the railway; (b) as capital expenditure for the construction, extension and installation of machinery in each of the erecting shops of the Canadian National?

The answer was:

3. (a) The accounts of the Canadian National Railways are not maintained in a way which makes it possible to segregate expenditures in the tabulation requested.

(b) To endeavour to give this information would involve an examination of accounting records for the past thirty years and this could not be undertaken by the existing staff of the railway.

I thought it bold of them to take that high-hat attitude with the government. I was one who years ago fought to have some light thrown on the railways' business. Then everything was a mystery. We could not know anything. When we ask for information, they say what they want to say. They are not under oath. What is the use of having committees of this house sitting to hear witnesses who are not under oath? Is any witness in court or before any tribunal insulted when the clerk of the court hands him the Bible and asks him to take an oath on it? Nobody is insulted. It is a matter of course. The witnesses are supposed to take an oath, to tell the truth, the whole truth and nothing but the truth. How is it that a practice has arisen, and has existed for a number of years, that when committees of the House of Commons hear witnesses who make most important statements they do not take the oath? Is there any insult in taking the oath? It is the common practice; otherwise the tribunals would not be worth anything; nobody could rely on the wisdom and fairness of judgments if the witnesses were not called to take the oath. There is no insult in that.

[Mr. Pouliot.]

Such extraordinary statements have been made by some witnesses before the railways and shipping committee that I have enough respect for them to say I am sure they would never have dared to make them under oath. We take it for granted, and some people may find it extraordinary that I express sincerely my views before this committee of the House of Commons to make the people and the press of the country at large think of the aura of irresponsibility of the witnesses who come before the committees to tell tales, tell stories, bedtime stories.

I say to you, sir, that the reply from the Canadian National Railways was highly unsatisfactory, and it is an insult to the House of Commons. I protest strongly against the high-hat attitude of the president of the Canadian National Railways in that respect. Whoever sent that answer, it was under his authority.

Now, coming to more pleasant matters: the Canadian National Railways has refused to answer my question which was legitimate and pertinent. They could not do it. It is not surprising. There is only one genius there, Mr. Cooper, who knows everything. He is a Pic de la Mirandole, a genius, knows everything. Hon. members may get a mouthful of him before the committee but when they start to squeeze him they learn there is nothing to it. What is refreshing is the answer of the Department of Finance to another question that I asked, and which was given in a return on June 11. I asked:

Did the cancellation of capital stocks and certain indebtedness of the Canadian National Railway system to His Majesty, in virtue of chapter 22 of 1 George VI (1937), amount to more than $1,200 million, and what was the exact amount of that cancellation?

I gave it a moment ago; it is $1,218 million. There is a little explanation in the answer. It is satisfactory. My second question was:

What was the total amount of the Canadian National Railway system securities held by the Canadian government at various times since 1923?

I have the whole list. In 1923 it was $576 million; in 1936, it was $721 million. In 1937 it fell down to $79,252,000, obviously because of the cancelling legislation of that year. Then it went up, and in 1949 it was $743 million. In 1950, it was $739 million and in 1951, $857 million. The amount of the securities held by the securities trust of the Canadian National Railways increased. The third question was:

What amounts have been loaned or advanced to the Canadian National Railways system in virtue of the Canadian National Railways financing acts of 1934, 1935, 1937, 1940, 1940-1941, 1942, 1943, 1946, 1947, 1948, 1950, 1951 and 1951 second session?

It is all given, the total amount advanced, the amount of deficit charged to expenditures

and so on. In one year it was $48 million, and in another year, $47 million. What strikes me is the way it reads. For instance, in 1934 we get:

Total amount advanced		$59,157,510.17
Amount of deficit charged to expenditure	$48,407,900.70	
Amount repaid	10,749,609.47	
		59,157,510.17
Amount remaining unpaid		nil

It is like that for many years, for 1937, for 1940, 1941 and 1942. Why? And there are small amounts remaining unpaid, but the total amount that has been fixed up by this legislation is $1,500 million.

Then there were other questions about the loans. The legislation concerning the Canadian National Railways is a kind of maze. It is included in so many statutes that they would form a whole library. But what interested me in that legislation, and I am not to object to it because I am a C.N.R. man inasmuch as the Canadian National Railways are more respectful of parliament and are more co-operative with the government, is that there should be some control of that. When one of the vice-presidents, Mr. Fairweather, appeared before the committee on railways and shipping on May 14, in connection with the Kitimat railway project, I asked him what percentage the province of Quebec had received from the tremendous amounts of money that have been earned by the Canadian National Railways and voted to them by parliament. The answer to the question was given by the parliamentary assistant to the Minister of Trade and Commerce on May 15, as it appears at page 2226 of *Hansard*. That answer indicates that the province of Quebec has the smallest mileage per thousand of inhabitants, and the second lowest mileage per thousand square miles of land area.

Quebec has not been dealt with as it should have been, and by the Canadian National Railways in particular. We have evidence of it—

Mr. Chevrier: I do not wish to interrupt my hon. friend, but I must point out that we are dealing here with a measure connected with the refinancing of the Canadian National Railways. My hon. friend has been referring to a number of matters that I suggest are not germane to the discussion at all. I cannot see how railway lines in the province of Quebec have anything to do with the section now before us.

Mr. Pouliot: Mr. Chairman, the minister may be perfectly right in saying that, but the province of Quebec has not benefited at all from the huge sums of money voted by parliament to the Canadian National Railways. However I am ready to co-operate, and I shall not insist.

Mr. Chevrier: That is an inaccurate statement, and I certainly cannot allow it to go without challenge. However, I have raised a point of order, and I would ask for a ruling upon it.

Mr. Pouliot: I am ready to co-operate with the minister, even when he raises points of order which are groundless. I will tell you, Mr. Chairman, that it is very easy for the minister to say that what I have stated has no relation to the bill, but it is even easier to say that if his request is granted I shall be able to prove that it has a direct relationship with the bill. However, I shall not insist upon proceeding; I have already made my case.

To conclude my remarks about the refinancing of the railways, I will say again to the minister that I am one of his most solid supporters, and I shall not insist upon discussing the matter further—and he knows it. On the other hand I do not want him to have to suffer unfair criticism from people who may hold him responsible for what is being done wrongly by the management of the railways.

This is a big piece of business. However, my memory serves me well enough to quote, in conclusion, the answer given by the president and chairman of the board to a question I asked him in committee. My question was about the purchase of shares of stock by the government. That stock was to carry interest at a rate of 4 per cent, I presume.

The Deputy Chairman: Order. Do I understand the hon. member is concluding his remarks? I am forced to advise him that the time at his disposal has expired.

Mr. Pouliot: Yes. I shall be very brief. I thank you, Mr. Chairman, and I am sure you will see that in what I shall say I am strictly in order.

On that occasion I asked Mr. Gordon if the purpose of the provision whereby the government would buy a certain amount of stock from the railways was not to prevent the railways from being in the red, and showing a deficit. He answered affirmatively. Therefore, sir, my case is complete. Before I had all the information I now have, I stated in the house that the purpose of the legislation was to write red entries in black ink. I have now concluded my evidence, which is final. I hope, on the other hand, that the concession being made by parliament to the Canadian National Railways will serve a better purpose than what has been done for them in the past.

Canadian National Railways

Mr. Macdonnell (Greenwood): Mr. Chairman, I have listened with interest to the speech of the hon. member for Temiscouata. Perhaps no part of it held as great interest as did the last, in which he assured us that his speech had been designed to help the Canadian National Railways and the minister. Perhaps as it is now within two minutes of the adjournment hour, I might be permitted to resume at three o'clock.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. Macdonnell (Greenwood): Mr. Chairman, when the committee took recess I was just about to make some comments on this bill to revise the capital structure of the Canadian National Railway Company. This matter was debated at some length in the house. The bill has also been before the special committee, and there is no need for me to occupy much time. However, I should like to say a few things partly for the sake of getting them on the record, and there are one or two quotations I wish to give from the proceedings of the committee.

First of all I want to remind this committee, as has been said before, of the fact that this is a problem which has been before us for many years and the reasons for which we know. Shortly after the first great war it became necessary to amalgamate into one railway system several lines which had been privately owned and several lines which had been publicly owned, and which had the one common feature that they were all in difficulties. The railway was put together first of all in a rather haphazard manner, perhaps the best that could be done in the circumstances, and in the early 1920's just after this had been done there was a period of great doubt, anxiety and scepticism in the public mind whether the situation could continue or whether we might have to amalgamate all our railways into one unit. Most of us in the house are very glad that was not done because we dislike monopolies, even that strange creation called a democratic monopoly which is so dear to some members of the house, and which I always find it difficult to understand.

At any rate, that situation continued until the 1930's, which of course was a period of fresh difficulty. At that time the Duff commission was appointed and I should like to read a short extract from the report of that very able commission for the purpose of putting it on the record and also because it endorses the necessity of what is being done in this measure besides containing a warning which I think it is useful for us to remember. At page 30 of the report of the Duff commission I find the following:

> . . . this commission is of opinion that it must be frankly recognized that a very substantial part of the money invested in the railways comprised within the Canadian National system must be regarded as lost and that its capital liabilities should be heavily written down . . .

That was the statement made by the Duff commission, but they did not regard that period of great economic distress as a desirable time to readjust the capital structure. I also wish to refer to another passage in the report of the Duff commission where they say that reasonable protection should be given to the privately-owned undertaking against arbitrary action by the publicly-owned undertaking which might unfairly prejudice the interests of the privately-owned undertaking.

On that score I should merely like to comment that when the two railways appeared before the Turgeon commission there was welcome evidence of good feeling and understanding along with healthy rivalry and competition and sympathy for each other's difficulties and problems. Mainly as a result of the report of the Duff commission we have the two railways and we have this healthy competition which has been greatly to our advantage and has provided us with two railway systems which I think can be regarded as admirable.

I should also like to refer to the measure of relief that was given in 1937 when the present Minister of Trade and Commerce, then minister of transport, recommended to the house that a very large measure of relief be given, something over $1 billion, and that was in fact done. Finally we have the report of the Turgeon commission which recommended various further easements. I I was going to say that they are comprehended in this bill but it would be more accurate to say that the government's decision, based on the Turgeon report, as to what it recommends to the house is in this bill.

The bill has been before the committee. There is little need of my talking at length about it. As I shall indicate in a moment, the bill is believed to carry out the immediate objective. The disappointing thing about it, perhaps inevitably disappointing, is that I did not feel—I do not think anyone will disagree with this statement—that the railway or the department was able to tell us they felt sure that they had found a principle of action which enabled them to assure us that this second major operation on the finances of the railway would be the final operation. However, they felt that it was beneficial and

that it could be brought forward and recommended to the house. I think it is of interest to read briefly what the president of the railway, Mr. Gordon, said about it. I am referring to the evidence Mr. Gordon gave before the committee.

Mr. Blackmore: Would the hon. member tell us what date that was?

Mr. Macdonnell (Greenwood): The committee met on June 10. This is merely the typewritten copy, so the paging may not be of significance when it is printed. However I should like to read the following statement of Mr. Gordon from page B-6 of the typewritten copy:

> When we made our submission to the royal commission, as I said in my statement, I based it on the opinion, after analysis, that we needed relief, that is, that the Canadian National needed relief in the form of fixed interest charges of roughly $30 million a year. What I am saying about this bill is that it means that the actual relief that we get by the transfer of this $736 million into 4 per cent preferred stock would relieve us of fixed interest charges, plus the adjustments that we get in connection with the $100 million on behalf of Newfoundland, plus this arrangement in section 6, to give us an amount of equity capital each year, plus the prairie adjustment; so that when you put all of those together, you get the effect which in essence is the equivalent of $30 million a year relief. It is not exactly the same in form, but it is the same in quantum of relief, and it is in a better form in our opinion.

I read that because I think it is of importance to know whether the man who is primarily responsible for the operation of the railway did in fact feel that the measure before us would give the relief which is necessary.

As I indicated, there are some things which are disappointing. It would have been more satisfactory if we had been able to discern a principle in the amount of relief that was given, but I think the only principle you can find is that those responsible felt that a certain relief was needed and they took the means by one device and another to make up to the total amount of relief desired.

The other comments I wish to make can come up as we reach the appropriate sections of the bill, with the exception of one point. There is one comment I wish to make on a matter that seems to me to be of some importance. It arose before the committee and I hope it is relevant and proper to raise it here. I refer to the directors of the Canadian National Railways.

The directors of the Canadian National Railways are outstanding citizens, and nothing I say is intended to reflect or criticize them in the slightest possible degree. However, this I will say. I feel that with advantage to the railway the board might be enlarged. That suggestion is put by some on a geographical basis, that we should have all parts of the country represented from a geographical point of view. Personally I am not so concerned with that. I think it is more desirable to have a good man from British Columbia than a bad man from Ontario; but I feel ever so strongly that in the tremendous task which has been assigned to Mr. Gordon, for whom I have the highest respect, he needs the assistance of all the ability he can get. Do not misunderstand me, I do not believe myself that directors run a railway company. I know they do not and they should not. Nevertheless, if you look at the Canadian Pacific Railway you will find they have a large board. Secondly, you will find an extraordinary percentage of men holding key business positions. The advantage is that those men, even though they may meet very seldom, and even though they do not try to interfere with management—which they should not do—make available their advice. It is the advice of a large group of the ablest businessmen in the country. I am very confident that if Mr. Gordon were standing here now, and he were asked whether he would like to have the best information from the widest variety of sources, he would agree.

Let me say again that nothing I have said is intended to cast the slightest criticism on the members of the board. I have the highest regard for those whom I know. My suggestion is that the board might be added to, giving new resources of experience and knowledge, imagination and all the things needed to assist in running this enterprise. I suppose it is by far the greatest enterprise we have in Canada, and I make my suggestion in the hope that the minister may find it possible to consider it. It is not original and it was made at the time of the committee sittings, but I make it again in order that it may be on the record.

The Deputy Chairman: Shall section 1 carry?

Section agreed to.

Section 2 agreed to.

On section 3—*Minister to release national company from claims by Her Majesty.*

Mr. Macdonnell (Greenwood): On clause 3 I wish to raise the point that we are creating a huge amount of capital—$736 million of capital or, as it is sometimes called, equity. Later on the common stock is referred to in one of the clauses as having a value of $396 million, so that altogether we are setting up a company which, if you look at the balance sheet, will be presumed to have a value after all its debts of something well over $1 billion. I might point out that this is one place where the government has departed from the tenor

of the principles of the Turgeon report because that report suggested that the relief to be given to the railway, instead of taking the form of a transfer of the indebtedness into stock, which of course is only a charge on the railway to the extent that it earns dividends, should be turned into what are called income bonds, that is to say into securities which represent a debt and which constitute a mortgage, but on which interest is only paid if and when it is earned.

I put that up to the committee and my point was not accepted so I do not press it further. However, I think it might be of interest to read Mr. Gordon's comments on it. His was an optimistic comment and I found it interesting, as perhaps others will find it interesting. I read from page 4 of the same evidence:

. . . the management expected that the Canadian National, on the average, will be able to provide out of its own earnings—

May I digress here just to say that a few minutes ago I read a statement by Mr. Gordon indicating that the relief they would get would be approximately $30 million.

. . . that the management expected that the Canadian National, on the average, will be able to provide out of its own earnings a reasonable amount for depreciation, to pay interest on its outside debts, to pay income tax, and have a dividend available for its preferred stock—maybe not 4 per cent in any one year but there will be something.

I was interested in that statement and I am very glad to see that the president of the railway is prepared to make a statement as optimistic as that because after all he is a realist, and I thought it might be worth while to have the statement on the record.

The Deputy Chairman: Shall section 3 carry?

Section agreed to.

Sections 4 and 5 agreed to.

On section 6—*Minister to purchase shares.*

The Deputy Chairman: For the convenience of those members who have before them the printed copy of the bill I might say that the sessional committee on railways and shipping adopted an amendment to subsection 1 of clause 6 as follows:

By adding after the word "value" in the seventh line, the following words:
"when added to the par value of such shares of stock purchased under subsection (2)"

Mr. Macdonnell (Greenwood): Clause 6 provides a means whereby the railway can supply some of its needs for further additions and betterments, etc., by means other than borrowing. The means taken is that the Minister of Finance is to be authorized to purchase additional stock of the railway each year in an amount equal to 3 per cent of the gross revenue of the national system in any fiscal year. I think that is clear, Mr. Chairman, and that the minister by this purchase of capital stock will provide that much. For the purposes of the railway in the current year it would amount to something like $18 million.

Now I want to read a short extract from Mr. Gordon's evidence again, because we questioned him on this. First of all we asked how this 3 per cent was arrived at. It is difficult, I think, to give any definite principle, but we did ask him if he could indicate what percentage of his requirements might be satisfied in that way. I would like to read what he said and this evidence becomes relevant, Mr. Chairman, because we are in the midst of considering a bill which is to provide the balance of the request. Mr. Gordon was asked, with a substantial amount of additions and betterments provided by the provisions of section 6, how much would he still need to borrow. He said:

. . . the amount which the Minister of Finance contracted to buy there in the form of preferred stock, we are required to put into use for additions and betterments—

This, he adds, would be roughly 50 per cent of their needs for additions and betterments. Then he goes on:

In other words, we would still have to borrow the balance of our needs for additions and betterments. We would have our depreciation, and this of course would be over and above what we would have to borrow.

Now, Mr. Chairman, that is the situation. We have this provision whereby the Minister of Finance buys stock, and the balance—I think it is desirable for us all to remember this—will be provided by this house, as in past years. We shall still have the railway company asking us to provide an additional amount for additions and betterments.

Section as amended agreed to.

Sections 7 to 9 inclusive agreed to.

On section 10—*What accounts to show.*

The Deputy Chairman: May I also advise the committee that section 10 has been amended by the addition of the word "are" after the word "railway" in line 11 of subclause 3 of the last clause.

Section as amended agreed to.

On section 11—*C.N.R. securities trust.*

Mr. Macdonnell (Greenwood): I should like to say a word on this section. There was some question about section 11 because of the complicated nature of the Canadian National Railways securities trust. Indeed, it was in connection with that that at one of the hearings the president of the company said there was only one man in the railway

who knew about it, and he was shortly to retire. He later corrected that statement and I believe that he did, in fact, do himself an injustice.

This trust holds various securities representing really the ancient history of the various companies, and for technical legal reasons it is felt necessary to keep these securities alive and to provide a convenient means of holding them. I like to think the railway will gradually b able to eliminate this situation as time goes on and these securities can be redeemed.

Section agreed to.

Sections 12 to 18 inclusive agreed to.

On section 19—*Minister to include statement of assistance in public accounts.*

The Deputy Chairman: May I also advise the committee that section 19 has been amended by deleting the words "value of" in the forty-second line thereof.

Section as amended agreed to.

Section 20 agreed to.

Schedule A agreed to.

Schedule B agreed to.

Preamble agreed to.

Title agreed to.

Bill reported, read the third time and passed.

DAIRY PRODUCTS ACT

REPEAL OF CHAPTER 39, STATUTES OF 1951

Right Hon. J. G. Gardiner (Minister of Agriculture) moved the second reading of Bill No. 307, to amend the Canada Dairy Products Act.

Mr. Catherwood: Has the minister any representations—

Mr. Speaker: Order. Probably the question should be asked in the committee.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Robinson in the chair.

On section 1—*Repeal.*

Mr. Coldwell: Is the minister going to say something?

Mr. Gardiner: There is a question coming up.

Mr. Catherwood: Is the minister going to make a statement?

Mr. Gardiner: There is not very much that can be said. This bill came from the Senate. It will be recalled that a year ago when we put through the Canada Dairy Products Act there was considerable discussion on it in the Senate. I was away at the time that discussion took place, but the suggestion was made that we were most anxious for it to go through, and we were. The representations that came to us are largely from the dairy council of Canada.

Later on in the season, before we got the regulations drafted which were based upon this legislation, it was intimated to us that some of the provinces—I believe one was the province of Ontario—were putting through legislation which made it much less necessary that we have this legislation, that is in so far as it is covered by section 6 of the act. We made representations to the Senate that we were prepared to remove this section from the act entirely. They wanted to amend it to make certain provisions which went only partially as far as we were proposing to go in taking section 6 out. We are taking section 6 out of the act partially because of the fact that it deals with things other than dairy products. In discussing it before a committee of the Senate I suggested that if such matters had to be dealt with, I thought the better way to deal with them was in special legislation, not in the dairy act because they raised a great many questions which were not being properly discussed when we are considering dairy products. The Senate agreed to that suggestion and amended their legislation in order to make it conform with what we suggested, namely that we take out the whole section instead of just taking out part of it. That is the proposal here, namely that we take out the whole section.

I may say that I think most of the matters about which hon. members and others outside the house are concerned in connection with dairy products are already provided for under section 5 of the act in any case. Section 6 simply deals with substitutes for dairy products, products that really are not dairy products at all, and also dairy products which are adulterated by putting something else into them. That sort of thing can be covered under section 5; we do not need section 6 to do that. So we are suggesting taking out section 6.

Mr. Catherwood: I should like to ask the minister whether he has had any representations from the national dairy farmers or from the federation of agriculture with regard to this section of the act.

Mr. Gardiner: I do not know that I have had representations. I have discussed it with the dairy council of Canada. I have discussed it with the president and other representatives of the federation. They all understand what is being done, and they

do not see that it is going to do any particular harm to the act itself if it is done in this way.

Mr. Coldwell: I think the committee probably welcomes the introduction of this bill. I know that last year this amendment was slipped through in the dying days of the session. I am certain that quite a percentage of the members of the house did not realize that this provision had been introduced into the act, or the implications of it. I know that when I saw it afterwards and when I learned of the discussions in the Senate—we are all hard pressed with business at the end of a session—I was surprised that it could have gone through, because it seemed to me to be a violation of the constitutional provisions with regard to trade. It seemed to be an interference with trade which did not appear to conform to the non-interference with interprovincial trade provided for in the British North America Act. Of course I know why it was done.

Under the circumstances I think it is proper to repeal this section. If it had been challenged in the courts probably the government would have had a fairly difficult time in getting a favourable verdict for this provision. Be that as it may, I think the repeal of something that was done hurriedly last year, without the house realizing all the implications of it, is something we should all welcome at this time. I am simply saying that we are supporting the bill as passed by the Senate and now as recommended to the house by the Minister of Agriculture.

Mr. Cruickshank: I do not entirely agree with the hon. member for Rosetown-Biggar. I presume this amendment was introduced in the other place by the gentleman who is so anxious to ruin the dairy industry and who fostered margarine. As I understand it this provision would prohibit margarine, or formerly prohibited it. I remember discussing the matter at the time the bill came up for consideration last year. I am sorry the hon. member for Rosetown-Biggar is not familiar with the bills that went through at the last session.

Mr. Coldwell: I am familiar with them, but this one went through at the end of the session without our noticing it.

Mr. Cruickshank: I will admit it went through at the end of the session; but his colleague immediately behind him usually catches anything that might not conform exactly to the rules or to—

Mr. Coldwell: Hoyle.

Mr. Cruickshank: —Hoyle, as you might call it. What I am interested in particularly is the question asked by the hon. member for Haldimand. Has the dairy council or the federation of agriculture asked for this amendment, or is it merely this member in the other place who is determined, to the best of his ability, to ruin the dairy industry and who has made every possible effort to do so? I am particularly interested in the matter, owing to the fact that some 239,607,300 pounds of copra were allowed into the country tax free—and I do not believe there was any health examination—in order to permit the manufacture of margarine, a substitute, as the minister said, for a real dairy product. I will admit that that matter does not come under his department; I refer to this unfair competition of these cheap oils from other countries. I am surprised at the leader of the C.C.F. being in favour of this unfair competition with the dairy farmers of Saskatchewan.

[Mr. Gardiner.]

Mr. Coldwell: Mr. Chairman, I did not say that. I said I thought this provision was unconstitutional, that it should not have been passed, and that if the government could not make it stick it would be better to repeal it.

Mr. Cruickshank: I will answer that statement by saying this. We have just gone through two election campaigns, and 90 per cent of the promises that were made by a certain party were unconstitutional and could not be carried out.

Mr. Knowles: Is that the reason the Liberals got licked?

Mr. Cruickshank: Certainly; because those promises could not be carried out.

Mr. Knowles: The Liberal promises.

Mr. Coldwell: It does not apply to us.

Mr. Gauthier (Portneuf): Order.

Mr. Cruickshank: Mr. Chairman, I will allow myself to be called to order by you, but not by another hon. member.

Mr. Gauthier (Portneuf): I did not mean the hon. member for Fraser Valley.

Mr. Cruickshank: I am not going to oppose this amendment but I cannot see the reason for the sudden change. There is only one province, namely the province of Quebec, which so far in Canada has had the good judgment to try to protect the dairy farmers.

Mr. MacNaught: What about Prince Edward Island?

Mr. Sinclair: Did the hon. member say "good judgment"?

Mr. Cruickshank: I will go further and say that great suburb, namely Prince Edward Island, has shown the good judgment to try to protect the dairy farmers.

Mr. Benidickson: They are road-blocking national trade.

Mr. Cruickshank: The hon. member says they are road-blocking national trade. When we hear all the demands that are made for the protection of the pulp industry in Canada—

Mr. Benidickson: There is no protection for the pulp industry in Canada.

Mr. Cruickshank: I have read articles with regard to some of the demands of the pulp industry which, I understand, includes a little place called Kenora.

The Deputy Chairman: Order. I wonder whether the hon. member would confine himself to the principle of Bill No. 307, which has to do with the dairy industry.

Mr. Cruickshank: I shall be glad to, Mr. Chairman. May I just say that I am certainly not going to vote against this amendment, inasmuch as it has been introduced by the Minister of Agriculture. I think it is a strange thing that just at this stage the Department of Agriculture should discover their mistake, or what they say was their mistake, when this amendment was not asked for by the dairy council or by the federation of agriculture or by any other representative group of farmers.

Mr. Gardiner: Probably the hon. member was not in the chamber when I spoke previously. I am not sure whether he was or not. His seat is behind me, and I did not notice whether he was in the chamber or not. But I have already stated that the dairy council suggested that this amendment be made. They made suggestions before the house met and also after the amendment was introduced into the other place. With regard to the suggestion made by the leader of the C.C.F. party, I would refer him to the discussion which took place in the other chamber. I do not want to read it, but it is on the record, indicating that they had dropped the constitutional arguments entirely. When I was invited to go over to the committee this year I thought I was going over to discuss the question from the constitutional point of view, depending on control or interference with trade as among the provinces; but when I got there I found they had decided themselves that that argument was either not sound or was not an argument upon which they wished to proceed. They proceeded simply on the merits of the argument as I have stated it to the committee, namely that in section 6 we are talking about substitutes for butter.

The section as it stands reads:

> 6. (1) The governor in council may by regulation prohibit . . . of any class of products that is designated by the regulations as being (i) milk, cream, butter, cheese, condensed milk, evaporated milk, milk powder, dry milk, ice cream, malted milk or sherbet . . .

In the discussions that took place, people stopped reading at that point and said that the act prevented trade in all these products. That is not what the act says. It goes on to say:

> . . . that contains fat or oil other than that of milk,

That is, it means that you have adulterated the milk or put something else into it that is not milk at all. It is pointed out that is dealt with in section 5; therefore we do not need section 6 in order to deal with that kind of thing. It is already dealt with. Provision is made by regulation to prevent trade in anything which has been adulterated.

The other part deals with a substitute for milk, cream, butter, cheese, condensed milk, evaporated milk, milk power, dry milk, ice cream, malted milk or sherbet. Well, a substitute for that is in all probability not a dairy product. Therefore we have suggested that if anything needs to be done in connection with that kind of product, then we should have separate legislation and not deal with it under the Canada Dairy Products Act, because we get into all this complicated discussion about trading in dairy products. You cannot trade in dairy products now which are not properly graded, as between provinces. That is all provided for in section 5 and in other parts of the act. Therefore we are simply removing section 6 because we do not think it is necessary in this act. If it should be provided for at all, it should be provided for in separate legislation.

Mr. Charlton: Did I understand the minister to say that the national dairy council and the dairy farmers of Canada had agreed to this?

Mr. Gardiner: I said the dairy council of Canada have asked that this be done.

Mr. Charlton: And the dairy farmers of Canada?

Mr. Gardiner: It has been discussed with the dairy farmers of Canada; they know what was being considered in regard to the matter, but they did not ask for it definitely.

Section agreed to.

Preamble agreed to.

Title agreed to.

Bill reported, read the third time and passed.

UNEMPLOYMENT INSURANCE ACT

AMENDMENT TO INCREASE RATES OF BENEFIT, TO REDUCE THE NUMBER OF WAITING DAYS BEFORE RECEIPT OF BENEFIT, ETC.

Hon. Milton F. Gregg (Minister of Labour) moved the second reading of Bill No. 332, to amend the Unemployment Insurance Act, 1940.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my remarks at this stage of the bill will be very brief. We have already had a discussion on the principle of this amending legislation in the earlier stages, and we shall be able to deal with the details when we get into committee. Also we have made it clear that we support this legislation so far as it goes. However, I should like to make it clear once again that from a study of the principles underlying the funding of insurance of this kind and from a study of the amounts that are on hand in the unemployment insurance fund we feel that there is too great a disparity between the premium payments required of those insured and the benefits paid. In our view either one thing or the other should be done. Either the amount of benefits paid under the act should be increased or the premium payments required of those insured should be decreased. Our preference is for the former, that the amount of the benefits should be increased, having regard to the suggestions made to the government by the major labour congresses in this country.

As we have indicated on previous occasions, another shortcoming in the Unemployment Insurance Act, and I regret that there seems to be nothing in the amending legislation now before us to take care of it, has to do with the position of the unemployment insurance benefit recipients who, while on those benefits, become ill. I realize that the minister made a statement the other day on this point. I hope he has given thought to the reply I made to his statement, and that further consideration will yet be given that phase of the matter. This is entirely apart from the question of any sickness benefits that might be obtained under a health insurance program. Entirely apart from that, we believe that when a person is drawing unemployment insurance benefits, having qualified in every way for these benefits, he should not be cut off from them because he takes ill; particularly when, as in many instances is the situation, there is still no work for him.

There are two or three other matters in which we are interested but which we can deal with when we get into committee. I referred to some of these matters in the earlier stages. At the moment I shall leave it at that, expressing our very strong views with respect to those two matters which we feel to be very important.

Mr. Clarence Gillis (Cape Breton South): I should like to say a word at this time also. When the minister's estimates were before the house I made quite a lengthy statement in regard to section 38, regulation 5 (a), having to do with married women. Perhaps the minister and his advisers have read the *Hansard* report of that speech. I feel very strongly on that point, because there is rank discrimination in so far as married women are concerned when they lose their employment. I am just wondering whether the minister has any intention of making some amendments to regulation 5 (a) when the bill is in committee, because as it reads at the present time it practically deals out a married woman, despite the fact that she is supposed to be insured during the period of her employment.

I mention that now so the minister can give us some indication as to whether or not there is any intention of proposing an amendment to the regulation. It would not require much of an amendment to accomplish the purpose. Certainly it is inflexible at the present time.

I should like to say a word or two in support of the contention of the hon. member for Winnipeg North Centre that while a person is sick these payments should not be discontinued. I stressed this matter a couple of years ago in the house, but apparently there has not been much change in that regard. The position is that in many industries across Canada employees pay into a sick benefit fund. This is a form of insurance against being without funds when they are ill. As it is a form of insurance, they are legitimately entitled to receive that sick benefit for the period during which they are ill. Since that time the Unemployment Insurance Act has been passed.

There will be many men, particularly those employed in the heavy industries such as the steel plants, the coal mines and the automobile factories, places where the work is very heavy, who will find themselves ill and will not be able to carry on their normal work. These men may not be bedridden, but they receive the benefits of their insurance plan for which they have already paid, and from which they are entitled legitimately to collect.

At the same time they are not employed in their regular occupations and they have another form of insurance for which they are paying, covering the period of their unemployment. The person who is in the dual position of being insured on two counts,

upon making application for his sick benefit is ruled immediately as ineligible for unemployment insurance. If he does not make application for his sick benefit and is registered as being unemployed, he places himself in the position of serving notice on his employer severing his employment.

In industry there are pension plans based upon the amount of time a man has worked. While a worker may be ill for only three weeks or a month, he must forgo his sick benefits if he wishes to receive unemployment insurance. If he takes the unemployment insurance, he thus severs his employment with his employer and may not get back on the payroll again.

This is a question which I suggest the unemployment insurance authorities should discuss with industrialists. I refer to the situation where there is a sick benefit plan in operation. These sick benefit plans came into being many years before the Unemployment Insurance Act was passed, and have carried on since that time.

I suggest that the man who is incapacitated for a short period of time, and may not be able to carry on his regular form of heavy employment, has a legitimate claim on both counts to the insurance for which he has paid. There should be an understanding on the part of the commission that a man who has registered as unemployed for a month or so should not be faced with an employer who takes the adamant attitude that the employee must be struck off the payroll, and will not be permitted to return to work. If the insurance is to be paid both ways, then there should be some co-ordination in administration. There should be some understanding.

I am not blaming the commission, because it has been my experience that in so far as it is within their power they are willing to co-operate. The adamant attitude is the one taken by the employer, and I am now referring particularly to the Dominion Steel and Coal Corporation in Nova Scotia. This matter has been discussed time and again in union circles, and I am just wondering if the minister and some of his officials might take a look into it and have a talk with the employer in this particular instance, because in my opinion he is the one who is taking the unreasonable attitude. It is up to someone to prove to the employer that this attitude is not reasonable.

I think the hon. member for Winnipeg North Centre (Mr. Knowles) brought up an important point. I receive a good deal of correspondence from people who say, "We have paid unemployment insurance for five years, or since the inception of the plan. We are laid off when sick, and stay away for a few months, during which time we have no income. When we apply for unemployment insurance we are told we cannot get it because we did not sever our employment in the way set out in the act. We are told that ill health or sickness is not a justification for drawing unemployment insurance." Nevertheless these persons are not working, and have no income. Some of them suggest they should have a return of the premiums they have paid in, and that has been the general point of view discussed by the hon. member for Winnipeg North Centre. On the other hand the problem of dual insurance is one that should be discussed with employers with a view to arriving at some measure of co-ordination and understanding, so the insurance payments will be made for the purposes for which the two kinds of insurance were established.

I do not expect the minister to reply now, but I do expect him to take the matter under advisement and, at some time in the future, to give an explanation of what might be done, after he has consulted with employers and the others concerned.

Mr. Speaker: If the minister speaks now he will close the debate.

Mr. Gregg: Mr. Speaker, I should like to make a brief comment on what has been said this afternoon. The hon. member for Winnipeg North Centre (Mr. Knowles) has recalled to my mind his suggestion for benefits during illness. As I indicated to him the other night, in common with all other features connected with this act that matter will be kept under study by the commission and the advisory bodies associated with it. The same observations would apply to his comments respecting on the one hand an improvement in the situation by means of better benefits than are set out in this measure or, on the other, improving the situation by cutting down on the amount of payments into the fund.

I think the hon. member will agree that up to this date the study that has been given this change has been at least intense and, to my mind at least, conscientious. The fact that we will be putting this measure into effect does not suggest in any way that the study of the machinery will come to an end or even to pause. That study will be continued.

The program the unemployment insurance commission has under way is a complicated one. As the house knows, the commission was given wide powers, and perhaps properly so, so that it might not be too easily swayed by outside influences. Nevertheless the members of the commission have been well

aware of the points raised by the hon. member for Winnipeg North Centre, and those points will receive their continued consideration.

Referring now to the situation as it affects married women, the other night I had a comment to make to the hon. member for Cape Breton South (Mr. Gillis), but when I was prepared to speak he was not in his seat. I prefer to make my representations to him personally, and perhaps he would be prepared to hear them when we reach the committee stage. I may also tell the hon. member that I will issue an invitation to the commission to make careful study of the other matter he mentioned which affects more particularly the city of Sydney.

Perhaps the other points raised might be more easily discussed when we reach the committee stage. I might point out at this juncture that the other day, in the company of the chairman of the standing committee on industrial relations, I reviewed the status of the members of that committee. We were astounded to find that some were on three, four or five committees. Consequently I am not suggesting at this stage that the bill be referred to that committee. The fact is that the five important amendments are not very complex. That does not hold, however, with respect to several of the minor amendments, and I should like to tell hon. members that if when we go into committee any technical features arise affecting these minor amendments concerning which hon. members would rather not take up the time of the committee of the whole, I will be very happy to make my officials available in my office at a time when we can go into them.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Robinson in the chair.

On section 1—*Exempted persons.*

Mrs. Fairclough: Mr. Chairman, I presume the minister has made what statement he proposes to make on moving second reading of the bill. In speaking on clause 1 it is not my intention to reiterate what I said the other night at the resolution stage of the bill, except that I wish to refer to one or two items. The hon. member for Cape Breton South spoke of the regulation affecting married women respecting which I spoke last year and again this year, and with which of course I am very much concerned. I should like to press for some action with regard to this regulation. Speaking in the house the other night at the resolution stage I made some remarks with reference to the reduction of the period from 90 days. At that time I said I could see that there might be difficulties in establishing intention, but that no fault could be found with reducing the period in the first instance to 60 days.

However, I must admit that since that time, having considered the matter further at some length, I have come to the conclusion that I was very lenient in that regard. I can see no reason why this section should not be taken right out of the regulations. I know the arguments that are put forward by the department. I know the difficulties with which the local offices are faced; but in my opinion they are no more difficult than those with which they are faced with respect to numerous employees in many lines of activity. To say that misrepresentation or malingering is confined only to one section of the labour force is in my opinion a reflection on the integrity of that particular group of citizens. I can see no reason at all why this regulation was put in the act in the first place. It has only been in effect for about two years, and has been operative for only a little more than a year. I can see no reason why this particular group was singled out for discrimination. It is not only a reflection on the integrity of working women but in my opinion it is also an intrusion on their civil rights.

Consideration of the matter from this angle has caused me to speak today in stronger terms than those in which I spoke the other evening at the resolution stage of the bill. While I was willing at that time to see the regulations relaxed somewhat, I now say I believe firmly that this particular provision should be stricken from the regulations as they now stand. I ask the minister to give this matter very careful consideration. I am sure there are other ways of handling this problem, and that it is no more serious among this class of workers than among all the other classes with which the commission deals. This section and the difficulty which is encountered with respect thereto lead me also to urge the contention I made the other night that there should be a woman member of the commission. As I said at that time, it is of course impossible to have such representation under the present set-up of the commission unless its membership is enlarged.

In the tenth annual report of the unemployment insurance commission there is a table on page 44 which deals with placements in regular and casual employment. I was interested to note that so far as regular placements are concerned those of women represent 36.3 per cent or well over one-third of those of men. As to casual placements the proportion is much higher. Casual placements of women were 63 per cent of those of men. Totalling the two and

figuring out the average, female placements represented 40 per cent of male placements. I feel that in itself supports the contention that if the working forces of the Dominion of Canada contain within their numbers such a large percentage of women, then women should be represented on the commission by someone who understands those problems which are not so easily argued by fact and logic.

On page 28 of the same report there is a table of placements of handicapped people during 1950. Here again the number of female placements is well over one-third of male placements. That appears to be the case pretty well throughout the picture. On page 25 of the report special mention is made of the increased number of women in the labour market in Canada. I should like to read into the record a paragraph which deals with this problem. It is headed, "Increase of women in labour market", and reads as follows:

During 1950 there was a steady increase in the number of female applicants registered at local offices of the commission for whom it was not possible to find suitable employment. It is believed that the increase was due, in part at least, to the rising cost of living in Canada and the necessity for married women to seek employment in order to augment the family income. However, notwithstanding a steady demand from employers for stenographers and typists, many women registered in these occupations could not be referred to employers because they were married and no longer in the lower age brackets.

I recognize, Mr. Chairman, that this is a problem which has many sides, but whatever the reason may be for the increased entry into employment of women of all ages and all amounts of experience, we must nevertheless recognize now that it is a condition of modern living. Inasmuch as it is a condition of modern living we can no longer close our eyes to it. We must accept it. For this reason I am more than ever convinced that the efficiency of the commission would be enhanced by its enlargement to include a woman member thereof. This belief is confirmed by a booklet, "Unemployment Insurance in Canada, 1940-1950," issued by the industrial relations section of the university of Montreal. After describing in a general way the workings of unemployment insurance in Canada in the ten-year period it winds up with this paragraph:

If the unemployment insurance commission in its administrative task continues to give priority to the human problems of the individual, if day after day it betters its relations with the insured, if it encourages its personnel to pursue intellectual and moral culture, the commission will thus give to the law a more human and more socially valuable function.

I think that is perfectly true, Mr. Chairman, and I think it is a plea which might well be heeded by this house. In order to give the house something concrete upon which to take a stand I would like to move an amendment to this bill. I move, seconded by the hon. member for Waterloo South (Mr. Meeker), that the following section be added to the bill:

20. That section 4 of the Unemployment Insurance Act be amended:

(a) by substituting the word "four" for the word "three" in the third line thereof and

(b) by deleting all the words after the word "council" in the fourth line thereof and substituting the following: "one of whom shall be a chief commissioner and one of whom shall be a woman."

The Deputy Chairman: Shall section 1 carry?

Mr. Hees: Mr. Chairman, is this amendment not to be considered now? I have something to say on clause 1 as soon as this is out of the way.

The Deputy Chairman: The amendment just proposed by the hon. member for Hamilton West is an amendment following section 20 of the bill and I think it should be moved at that point.

Mrs. Fairclough: Mr. Chairman, inasmuch as this would insert an extra section into the bill it was my opinion that it should be discussed on section 1 when the bill in general was being discussed. It will necessitate renumbering present section 20 and I do not see how it can be brought in under section 20 when there is an existing section 20. I would ask the Chair's consideration of that point.

Mr. Gregg: As I think my hon. friend for Hamilton West knows, the principle of making sure that the needs of women workers in Canada are taken care of is one that is paramount within the commission. The commission at the present time consists of three members, one appointed after consultation with the national organized labour bodies, one after consultation with organized employers; and the chairman is appointed by the government.

As the hon. member has indicated, unless it were possible to come to the point where organized labour would nominate a woman or organized employers would recommend a woman it would be quite difficult to do it under the present set up. I am quite sure that in any re-organization or expansion of the commission that factor would be taken into consideration. I would like to point out that in the whole array of advisory bodies starting from those that advise the local offices, those that advise the regional offices, and those that advise the head office, women are represented in an advisory capacity; but I know that does not fulfil the need she has in mind.

With respect to the amendment, Mr. Chairman, I would ask you to give us the benefit

of your views on two counts. First, it does not amend the bill before the house; it amends the original act. Second, public expenditure would be required to carry it out. I am therefore wondering if it would be in order on those counts.

The Deputy Chairman: Order. I will take under consideration the remarks made by the minister and I will point out to the hon. member for Hamilton West who has proposed the amendment that her amendment adds section 20 to the bill. I therefore feel that I could not put that amendment now nor should I rule on it until following consideration of section 19. I will put it at that time, of course.

Mrs. Fairclough: Mr. Chairman, I will be very glad to bring it up again at that time because I believe consideration should be given to it. It is all very well to have good intentions but if they never get any further than lip service we are not going to achieve the results we hope for.

Mr. Knowles: Mr. Chairman, I wish to draw attention to what I believe is an error in drafting or perhaps I should say a fault in the drafting of section 1. My hon. friend and I do not profess to be lawyers, but he has one on his right and perhaps there are some others near by. Section 1 deletes the present subclause (b) of section 16, subsection 1 and substitutes a new subsection (b) which provides for a slight alteration in the definition. I am not concerned about the substance; I am concerned merely about the wording. If the minister has before him the act in its present form, on page 9 of the office consolidation he will see, at the top of that page, that the set-up of section 16, subsection 1 is as follows:

> Where an employed person establishes to the satisfaction of the commission that he is either:
> (a) a person who is employed . . .
>
> . . . so and so, and then:
>
> (b) a person who . . .
>
> . . . so and so.

According to the authorities I have read on the drafting of legislation, that is not good; and I have a very excellent booklet on the subject by Mr. E. A. Driedger, counsel to the Department of Justice. According to him that is not good drafting.

With the proposed amendment subsection one of section 16 would read as follows:

> Where an employed person establishes to the satisfaction of the commission that he is either
> (a) a person who . . .
>
> . . . such and such; and then:
>
> (b) habitually employed . . .

I submit that somebody got in a hurry and left out a few words, and that subparagraphs

(a) and (b) should be drafted in parallel form. The matter can be corrected very easily by putting in the words "a person who is". In other words, if you made paragraph (b) which is now before us read—

> (b) a person who is habitually employed in insurable employment for a total of not more than four hours a day;

—you would correct the fault to which I am drawing attention and you would make the new subclause (b) parallel in form with subclause (a). I wonder if the minister would care to comment.

Mr. Gregg: I understand from my officials that the author of your booklet vetted this paragraph but I see the point my hon. friend makes; that one of them is "a person who is employed in" and the other, while it makes sense, does not follow the same pattern and states that "he is habitually employed" . . .

Mr. Knowles: Mr. Driedger says that is elliptical and that an ellipsis is not good.

Mr. Gregg: I do not think it will affect the proper working of the section. It may add a little variety there and I do not think it is worth making an amendment.

Mr. Hees: When speaking at the resolution stage of this bill, I brought to the minister's attention the particular case of a man in my riding who had contributed to the unemployment insurance scheme ever since its inception eleven years ago. He had built up a credit of more than $900, and last November became unemployed. He drew benefits for thirteen days, and then had to enter hospital for an eye operation. As soon as he entered hospital his unemployment insurance benefits were cut off. After the man had been released from the hospital, being totally blind, I was notified. I brought the matter to the attention of the house through a letter written to me regarding my inquiry about that man, explaining why these unemployment insurance benefits had been cut off.

This letter had been written by Mr. B. G. Sullivan, Ontario regional supervisor, saying how much the commission regretted the action but at that time the man did not come under the regulations and could no longer, therefore, be paid unemployment insurance benefits. I also drew to the minister's attention the fact that I insisted on the Canadian National Institute for the Blind being notified. On my insistence they were notified and guards were provided so the man could resume his employment. I pointed out to the minister that, unfortunately, none of this would have taken place if I had not brought the matter to the attention of the unemployment insurance commission and requested, very strongly I may add, that they notify the Canadian National Institute for the Blind.

In view of that incident, I should like to know what instructions the minister has sent out to the employees of the unemployment insurance commission concerning the steps they should take when a man or woman who has built up an unemployment insurance credit is prevented from working because of a permanent disability. What does the minister suggest they should do in order to see that a disabled man or woman is enabled to continue work, by means of guards or aids, as in the case of the man I mentioned?

The second point I should like the minister to answer is this. As I pointed out in speaking earlier, the unemployment insurance credits which a man or woman builds up are built up through contributions made by that man or woman and his or her employer.

Mr. Gregg: And the government.

Mr. Hees: But mostly by contributions made by the man or woman and the employer. I believe those credits belong to that man or woman by right. They exist because the man or woman built them up so they would be available if for any reason the man or woman became unemployed. When a permanent disability takes place the unemployment insurance commission completely cuts that man or woman off from unemployment insurance benefits, as in the case of the man I mentioned. The man in the case I cited had a credit of over $900, and the commission was quite willing to cut him off from that credit for all time by simply stating, in so many words, "That money no longer belongs to you; you have no right to it because you are permanently disabled."

I believe that is completely wrong. There is no time when a man or woman needs unemployment insurance credits nearly as badly as when he or she becomes totally disabled and thereby prevented from earning a living. Not only do they have to go on providing for themselves and their families, but in most cases they have doctor and hospital bills to pay as well. I believe there are many more reasons why those unemployment insurance credits should be paid to those people than to people who are just temporarily unemployed.

I feel sure that in answering the minister will tell me the Unemployment Insurance Act has been set up on an actuarially sound basis which does not take into consideration payments to people in the totally disabled category. However, I believe that if the commission's doctors have examined a man or woman and certified that he or she is permanently disabled and cannot earn a living, then the unemployment insurance commission should pay those people the credits standing in their name.

If it takes some readjustment of the actuarial set-up of the act, I feel there could be no more worth-while reason for so doing. I do not believe it would require a very great readjustment, because there are not many people who become disabled. I believe it is something which should receive immediate consideration by the government.

I would appreciate hearing from the minister on the two points I have mentioned: first, what instructions, following the rather shocking example which I brought forward, has he sent to the unemployment insurance employees across the country informing them that when a person becomes disabled the commission should not simply write him a letter saying how it breaks their heart not to be able to pay him any more insurance benefits. You could practically hear the tears falling on Mr. Sullivan's desk as he wrote the letter which I read to the house. You could just hear his heart breaking.

Mr. Lennard: I don't think he ever wept in his life.

Mr. Hees: I don't think he did, either. I should like to know what instructions the minister has issued to remedy that rather regrettable situation. I should also like to know what the minister feels about the necessity of continuing to pay whatever unemployment insurance credits a man or woman still has standing in their name at the time they become disabled.

Mr. Gregg: The hon. member asks what instructions I have sent to the offices of the unemployment insurance commission across Canada, Mr. Chairman, with regard to this matter. I believe he knows that the minister has no right whatever to send instructions to the offices of the commission. I believe he has every right and every duty to call to the attention of the members of the commission any representations that may be made in this house, and that I most certainly do and have done.

With regard to the case mentioned the other night, I was glad to find that in that case the benefits had been reinstated in February. The remainder of the hon. member's remarks were related to a discussion which I tried to cover the other night, suggesting that this act be extended to cover sickness and disability. The hon. member for Winnipeg North Centre was very quick to check me up and suggest that I had travelled over much more ground than he had. But I am sure the committee will realize that if the unemployment insurance commission once climbs over the fence into that field, it will be assuming obligations upon which it would be difficult to set limits by any mere patchwork amendments to this

act. I am not going to attempt to cover that ground again now, but I would point out that matters affecting the stability of the fund are set out very clearly as a function for the unemployment insurance advisory committee under sections 82, 83 and 84 of the act.

All the representations that were made in today's discussions, the discussion on the estimates and on these amendments have been brought or will be brought to the attention of the commission and the advisory body for their continued study.

Mr. Hees: Is the minister finished? I asked for a straight answer on the second part. I asked him for his opinion on that matter. I will put it again. I will ask him what his opinion is on the specific case I brought to his attention. Does he think it is a fair thing to cut off from benefits a man who, for eleven years, contributed to his unemployment insurance, and built up a credit of more than $900 out of his own pocket and the pocket of his employer? The credit exists because that man and his employer have made it possible. Through no fault of his he suddenly becomes permanently blind. Does the minister feel that it is the fair thing for the unemployment insurance commission to do with $900 in its pocket which that man and his employer have built up for his use if he should become unemployed, simply to say to him "We are terribly sorry, but we just cannot do a thing for you; we have $900 which you have built up, but the regulations do not allow us to pay it to you"; and to then allow that man, who is permanently blind, just to live out the rest of his life as best he can? As far as I know the unemployment insurance commission, judging by the letter written by Mr. Sullivan to me, which I read to this house, did not have the slightest feeling of worry or distress about what would happen to Mr. Monk at that point. He was blind; he did not come under the regulations any further; and as far as I could see the members of the unemployment commission were perfectly willing just to abandon that man for all time. That is a specific case and an important one. I should like to know from the minister whether he thinks that is the kind of thing that should be allowed to go on. May I have an answer to that question?

Mr. Gregg: I do not think this is the occasion for the minister to express his opinion. I have assured my hon. friend that his representations have received and will continue to receive careful consideration. The man in question—and I do not give this as any rebuttal to the hon. member's statement—would not have paid in that amount out of his own pocket, but that is neither here nor there. It would be about $400 that he himself would pay for the period in question.

I have had a good deal of reason to believe —and I would certainly hope that such is the case—that the commission has engendered the tendency in their offices right across the country where they cannot do anything under the act or under the regulations, to make it as easy as possible for those who have been insured to gain assistance or advice in some other way, just as my hon. friend did in this particular case through the Canadian National Institute for the Blind. I do not want to express any opinion except to say that in this case or in any others we will undertake to make sure that the benefits under the act are administered to the advantage of the insured individual to the utmost possible extent.

Mr. Hees: Mr. Chairman, I am still not getting an answer from the minister. I want to know whether he is going to recommend to the unemployment insurance commission—

An hon. Member: He cannot.

Mr. Hees: If the minister cannot, what in the world is the use of carrying on this discussion in this chamber?

Mr. Fournier (Hull): I would suggest that the hon. member discuss this bill. He tried to discuss this subject the other day. He was out of order then and he is still out of order today. I would ask the chairman to direct him to discuss the subject matter of this bill.

Mr. Hees: Mr. Chairman, on item 1 I am discussing the general question of unemployment insurance.

Mr. Fournier (Hull): We are not dealing—

Mr. Hees: Mr. Chairman, I have the floor.

Mr. Fournier (Hull): We are not dealing with insurance for blind persons. We are dealing with unemployment insurance.

Mr. Hees: That is exactly what I am talking about.

Mr. Fournier (Hull): No.

Mr. Hees: Yes, it is.

The Deputy Chairman: The minister has raised a point of order. As I understand it, the hon. member for Broadview is discussing a particular instance whereas the general rule is that on the first section of the bill we would be dealing with the principle of the bill under discussion. I therefore think that the hon. member should confine himself to a discussion of the general principle of the bill at this point.

Mr. Meeker: Mr. Chairman, I should like to remind the minister of a condition that

exists in my riding and perhaps to suggest a solution that might be looked into. At the present time there are in my riding approximately 742 unemployed persons, and orders for jobs exist for only some 80 people. In addition, on part time and perhaps working two or three days a week are well over 1,200 people. In former years—or at least as far back as I can remember—Waterloo South, with its great textile industries, its woodworking firms and its large metal industries, was always one of Ontario's most prosperous communities. The fact that we have almost 2,000 people not working steadily is an indication that somewhere there is something wrong.

This condition has existed for almost a year. I defy any member of the government or any person in this committee to tell me or the people out of work in my community that the condition is only seasonal. One of the factors that contributes largely to unemployment in the furniture factories in my riding is the effect of the deferred depreciation regulations. Last year the Minister of Finance disallowed for four years depreciation on new plant and equipment. This disallowance definitely slowed the sales of factory, office and store fixtures and furniture. I have heard of many large retail firms which are refusing to remodel their stores with new articles of equipment, thereby causing unemployment in our furniture factories.

In larger towns and cities where people who are out of work are easily absorbed by other industries, this is not a serious condition. But in the smaller cities and villages where there is a large amount of unemployment, these people cannot be absorbed by other industries. I would urge the Minister of Labour to use his influence with the Minister of Finance with a view to getting him to correct this situation as soon as possible.

Section agreed to.

Sections 2 and 3 agreed to.

On section 4—*Rates of benefit.*

Mr. Knowles: Mr. Chairman, first of all I would point out that this is the clause which makes for the slight improvement in the rate of benefit in certain of the categories. I have already indicated our view. With the fund being in the state it is, and the principles underlying the funding of such a plan being what they are, we feel that there is too great a disparity between the amount paid in and the benefits received. We suggested that one or other of two things should be done. I indicated that in our view the preferable change would be to increase the benefits by more than the minister has indicated in the bill.

In addition to emphasizing that view I should like to point out that when the act was amended in 1950 it was worded in such a way with respect to section 31 of the act, which we are now considering under clause 4 of this bill, as to create quite a bit of confusion in the minds of many workers as to the benefits to which they were entitled on becoming unemployed. Some of us pointed out when this was being put through in 1950 that there was more than confusion involved; that there was actually a certain loss of an alleged increase. The parliamentary assistant to the Minister of Labour will probably recall that he and I had quite a debate over the effect of the wording in section 31 (2) (b) as it stands at the present time in the main act. That clause reads:

> In computing the average daily contribution (a) one cent shall be deducted from each daily contribution paid by the insured person after the first day of July, nineteen hundred and fifty.

I pointed out to the parliamentary assistant to the Minister of Labour and to the Minister of National Health and Welfare who was piloting the bill on that occasion that the result of that clause being in there where we are told how a worker computes his benefit, is that when the worker looks at the table to ascertain his benefit he must move one line above the amount he is paying in to ascertain the amount of benefit he will draw out. I need not rehash the argument we had on that occasion. My position has certainly been vindicated, at least in my own experience, by the large number of letters I have had on this very point. Many a time I have had to explain to an unemployed worker why he was receiving not the benefit set directly opposite the amount he had been paying in, but rather the amount directly opposite and up one line. The reason for that is the section which I have just read from the main act.

I want to repeat my opposition to the substance of what was done on that occasion and to the confusion that it created. I am glad to note that at least the confusion is being resolved in the amending section now before us. But all that is resolved is the confusion; it does not make any change in substance. The terms of clause 4, which are now before us, when we get over to the table that is included in that clause, are different from the table at present in the act. That difference of course can be seen by looking at the table in its former state as it appears on the right hand page of the bill that is now before us. For example, the table on the opposite side formerly had opposite 3 cents the sum of $1 per day for a person without dependents. That was not really the case, for the qualifying clause which I read meant that a person had to move up one line. Thus his daily

benefit was only 70 cents. In the new version of this table it is made clear that the person whose contribution is 3 cents draws only 70 cents a day. As I say, Mr. Chairman, I am glad to see that the confusion has been resolved and that from here on workers, when they look at that table, will not wonder why they draw a benefit less than what would seem to be that to which they are entitled. I am sorry that is as far as this correction goes.

Mrs. Fairclough: Will the minister explain why the two lower classes were excluded from increases in benefits?

Mr. Gregg: This amendment, like the others, was recommended and approved by the unemployment insurance advisory committee. I will not go into a comparison of the two tables because, although it has been two years, that confusion has been cleared up by the rearrangement of the table to which my hon. friend referred a moment ago.

Had the benefits been increased in these two lower classes which have been brought to my attention by the hon. member for Hamilton West—that is, opposite 3 cents, $4.80 weekly; opposite 4 cents, $7.50 weekly—we would have been faced with what the experts call over-insurance. The present dependency benefit rate, for instance, in the earnings class of $9 to $14.99 is 83·3 per cent of the wages. It was the opinion of the actuaries, supported by the advisory committee, that it would be unwise to increase the present ratio. This will affect a very few people. It is estimated that of the claims established in 1951 less than 2½ per cent were in this class, and in the last fiscal year the number of contributors in this class was only 1·54 per cent.

Section agreed to.

On section 5—*Waiting days.*

Mr. Goode: I should like to ask a question for information. I am not too sure whether I am on the right section or whether there is a section that would cover this question. If I am not in order of course you will tell me, Mr. Chairman. What is the position regarding the forestry workers and lumber workers in the province of British Columbia? As the minister knows, these men are on strike at the present time in rather large numbers. I do not know what the situation is. Under the act are these men going to be entitled to benefits somewhere down the line?

Mr. Gregg: The amendment two years ago covered woods workers both in the east and in the west, but there is a general clause in the act which says that claimants on strike do not receive benefits.

[Mr. Knowles.]

Mr. Goode: Then it does not matter how long the men are on strike or how short a time they are on strike, they are not entitled to any benefits whatsoever?

Mr. Gregg: If it is adjudged a strike, under section 39 of the act they do not get anything during the work stoppage.

Section agreed to.

Sections 6 to 9 inclusive agreed to.

On section 10—*Recovery of benefit erroneously obtained.*

Mrs. Fairclough: Am I correct in assuming that no claimant will be penalized in respect of what is an honest error? In other words, as I read this new section, if a claimant had received benefits erroneously, through no fault of his own, without misrepresentation, he would not be penalized, nor would he be forced to repay those benefits?

Mr. Gregg: No.

Mrs. Fairclough: Is that correct?

Mr. Gregg: That is correct.

Section agreed to.

Section 11 agreed to.

On section 12—*Absence or incapacity.*

Mr. Knowles: Clause 12 amends section 83 of the act, which is one of the sections under the general heading "unemployment insurance advisory committee". In fact this is the section which spells out the constitution of that committee and certain of its powers and functions. While we are on this clause I should like to take a moment to express to the minister my very strong views with regard to any change that may be made in the functioning of the advisory committees at the three levels. The minister knows that what I have in mind is covered by the difference between circular letter No. 18 and a proposed circular letter No. 19. As I understand it, under the present arrangement the avenue of travel between these committees is vertical. The local committees make their reports and recommendations to the regional committees and the regional committees in turn to the national advisory committee. In return the replies to those reports and recommendations, and any suggestions, travel the other way. That is provided for in circular letter No. 18, which spells out the way in which the committees are to function. As the minister knows—and this is set out in the section with which we are now dealing —these are people who are outside the direct employment of the unemployment insurance commission, and who represent labour and management. They are there to give advice.

It appears that there is some thought of changing the way those committees function

and suggesting that the local committees should have their contact and their way of reporting only through the local civil service side of the unemployment insurance commission; and that similarly the regional advisory committees should maintain their liaison with the regional officials through the civil service side of the unemployment insurance commission.

It has been represented to me by some of those who are interested in the matter that the present set-up has some very desirable features that should not be lost. Those who take this view fear that if there is a change to the other pattern, many good ideas born or hatched at the local level will never get to the point where they may really be considered.

Without in any way reflecting upon the efficiency with which the officials of the commission carry out their duties, there is a tendency on the part of officials to be concerned only in keeping things going as they are. So long as things are running along all right, so long as "Everything's up to date in my department"—and in this I am borrowing from a song we heard not long ago at the press gallery dinner—there is nothing to worry about.

I share the views of those who expressed the thought to me that the ideas generated in the local committees would not get very far past the local officials if that change were made. When I sought to have tabled a copy of circular letter No. 19 the minister informed me that it was only a proposed circular letter, and that it had not yet been put in final form. He pointed out that therefore it could not be tabled. Naturally I have no objection to there being a circular letter No. 19, or to there being a review of the pattern set out in circular letter No. 18; but I would hope that the proposed circular letter No. 19 might be reviewed before it is put in final form.

If any changes are felt desirable, let it not be at the expense of the loss of values to be obtained from getting ideas from the local level right up to the top level and back again, and securing the views and the opinions of advisory committees at all levels. It is not necessary to spend more time on the subject now, but I do urge the minister to give consideration to the point of view I am putting forward today, and which I understand has been expressed by some of the local and regional advisory committees.

Mr. Gregg: This section has to do with the members of the committee who advise as to the stability of the funds. However, I did not mind hearing my hon. friend's remarks on the other matter, because it was mentioned by him before. I can assure him, with regard to draft circular No. 19, that before it is fully considered and put into effect there will be a desire to see that all the benefits of the old plan are maintained, in conjunction with some other good suggestions. It is the intention that regional committees will be fully informed of the recommendations of local committees and as to the action taken thereon, and that there will be no effort to prevent the discussion and consideration of any items which they feel have not been properly dealt with or which in their opinion have some regional significance.

If the regional employment committee in Winnipeg or in Moncton, let us say, or in any of the other regional offices, has a good idea or a constructive suggestion, I think it is important that it should be brought to the attention of the regional office immediately. At the same time I agree that it should be carried forward, and that the national committee should know about it.

I can assure the committee that every effort will be made to improve that technique in every possible way; because it is in this way in my opinion that the pulse of public opinion and the views of the workers as to the kind of service they are getting is brought to bear upon the commission.

Section agreed to.

Section 13 agreed to.

On section 14—*Rates of supplementary benefit.*

Mrs. Fairclough: It would appear from the table in this section that the increase in benefits has not been extended to the supplementary benefits. If that is so, would the minister explain the basis upon which that action, or lack of it, is founded?

Mr. Gregg: This amendment was made necessary by the amendment to section 31. Previously the calculation of the average daily contribution, which is the basis of regular benefit, included the deduction of one cent collected for the purpose of the supplementary benefit. Section 31 has now been amended, and this deduction is not made.

It is necessary to change the first column in subsection 3 of section 87C to conform with the change in the table in section 31. I believe that is a full explanation. The rates of supplementary benefit have not been increased but remain the same. The reason for this is that contributions to provide for supplementary benefits are in the main paid by persons entitled to regular benefits, and it was felt that any surplus of these contributions should go to the benefit of the many rather than to increase the benefits of the few.

For example, in the last fiscal year over 500,000 persons received regular benefits and only 85,000 claimants received supplementary benefits. Having used the service to increase the regular benefits it was not found possible also to increase the supplementary. Supplementary payments made in the fiscal year 1949-50, from February 28 to April 15, amounted to $4,554,165; in 1950-51, from January 1 to March 31, they were $3,925,984; in 1951-52, from January 1 to April 30, they were $4,644,615.

Mrs. Fairclough: I do not think the minister's argument holds water, because if we are going to say that those who pay into the fund should be those who receive the benefits, then there is a very great class which has paid for years and has no hope of ever receiving anything from the fund. Those who are permanently employed, or who believe they are permanently employed, and even those in municipal service who have every expectation of being permanently employed in their present positions, would be in this class. Some of the arguments which have been presented to the commission with regard to these workers from whom contributions are taken, but who have no prospect of ever benefiting, would refute the minister's argument in this connection.

The mere fact that those who receive the supplementary benefits are a minority is no argument. If the scale of benefits is to be graded, then in my view the supplementary benefits should follow suit.

Mr. Gregg: Of course, as in every other type of insurance, if the unpleasant happening against which one is insured does not take place, then no collection is made. But it will be borne in mind that the supplementary beneficiary, before he or she can become so, must first become a regular one, and while in that regular capacity does receive the benefit of the upgrading.

Mrs. Fairclough: It must also be borne in mind that they are paying 2 cents a day in addition between the two contributors and the government's contribution, which after all is also paid by the worker and the employer.

Mr. Knowles: It must also be borne in mind that it will be even more painful for that person now to have to take a still greater drop from the amount of his regular benefit to the amount of his supplementary benefit. Previously in the top bracket a recipient could be on a benefit of $21 and have his supplementary benefit drop to $16.80. That was a drop of $4.20. Now it will be a drop from $24 to $16.80 which, as I suggested, is all the more painful. For the reasons the hon. member for Hamilton West has put forward, it does seem to me that there should have been at least a proportionate increase in these benefits along with the regular benefits.

While I am on my feet may I say, recognizing again that it is only a minor point, that we are glad to have the confusion that existed in this section resolved in the same manner that it has been resolved with respect to section 31. When the minister was on his feet a moment ago he said that the deduction of one cent was no longer made. That of course is just a way of calculating the benefit. There is no change in the amount paid in for the supplementary benefits. The only change that has been made is that the unemployed person will find the amount of his benefit directly opposite the cents per day he is paying in instead of having to go up one line as was the case in the confused table we had before.

Section agreed to.

On section 15—*Duration of supplementary benefit.*

Mr. Knowles: Clause 15 is the one that extends the period for entitlement to supplementary benefits to three and a half months instead of three months in the early part of the year, and that of course is a welcome change. Would the minister comment on the words that have been added in line 14 which are underlined, namely "and for no other period"? I should like to be sure that these words do not impose any limitation not already applicable to the supplementary benefit. Things like this do sneak in sometimes.

Mr. Gregg: I am informed that it was not intended to impose any limitation whatsoever on a person who is qualified for any one class but rather that it was for clarification.

Mr. Knowles: Clarification of what?

Mr. Gregg: It was intended to clarify the practice which is already in effect.

Mr. Knowles: At this time of day I guess I may as well let the minister off.

Section agreed to.

On section 16—*No discrimination in referring to employment.*

Mrs. Fairclough: As I said at the resolution stage, I am very pleased that the minister has seen fit to put this subsection in the act. The only point I want to make is that of course this is merely a declaration of intention. There are no regulations. It is possibly in the nature of a pious hope; and while I think there is no doubt that the regional offices will be properly instructed in the usual course of events with respect to this

section, I wonder if the minister would give consideration to having this new section properly publicized in a general way so the workers of Canada will know that this clause has been inserted in the act.

Mr. Gregg: Yes. When passed these amendments will be fully publicized through the *Labour Gazette* and other media.

Mr. Knowles: We too feel that this section should not pass without a word of approval from our group. We are indeed glad to see this provision being written into the statute. As the hon. member for Hamilton West has pointed out, there are further steps that could be taken in the field of fair employment practices legislation, but we heartily welcome the addition of this subsection to section 88 of the act. The hon. member for Hamilton West suggested that this subsection does not carry with it any power to make regulations. May I suggest that if regulations are necessary or would be useful to carry out the intent of the new section 88, subsection 3, it seems to me that is covered by section 97 (t) of the act which reads as follows:

. . . the commission may also make regulations (t) generally for carrying this act into effect.

If any such regulations are necessary to give definite effect to this intention I would hope that they will be made.

Mr. Gregg: That is correct. Our understanding is that if it is found necessary the unemployment insurance commission can make regulations under that section to carry the intention of the act into effect.

Section agreed to.

Sections 17 to 19 inclusive agreed to.

On section 20—*Coming into force.*

Mrs. Fairclough: On clause 1 of the bill I proposed an amendment which the chairman said might be considered under this section. At that time the minister made two points by way of explanation with respect to the amendment being in order. While I concede that on the ground of expenditure there may be something in what he said, I claim that unless it is possible for a member to propose additional clauses to a bill amending an act then there is no opportunity to make suggestions for the amendment of an act except at the instigation of the government. Without any further debate I should like to ask that the amendment I have proposed be considered.

Mr. Catherwood: Before you give your ruling, Mr. Chairman, I should like to say that I think the hon. member for Hamilton West since coming here has made a real contribution to the representation of labour in the House of Commons. I think her amendment to the effect that a woman should be appointed to the unemployment insurance commission should certainly be given consideration. I believe her contention is sound particularly in view of the fact that women are playing an increasingly important part in the business and industrial life of the country and also, we are happy to say, in political life. I trust that every consideration will be given to her recommendation; but if you think the amendment is out of order, Mr. Chairman, then I hope the minister will seriously consider the matter before the next session of parliament.

Mr. Cote (Verdun-La Salle): If I may I should like to add a few words to the comments the minister has made concerning the proposed amendment. My personal view is that if the amendment were to carry it could not be administered in a satisfactory way because under present practice the advisory committee is composed of eight persons, four of whom represent workers' organizations and four of whom represent management organizations. I fail to see how we could make it mandatory on either the workers' group or the employers' group to have a lady delegate to represent them on the board. So far it has been the policy to leave absolute discretion to these national organizations who send the delegates.

Mr. Knowles: Is the hon. member not confused? This refers not to the board, but to section 4, namely the set-up of the unemployment insurance commission itself.

Mr. Cote (Verdun-La Salle): I am sorry.

Mr. Knowles: I am just straightening the member out.

Mr. Cote (Verdun-La Salle): One member of the board represents the workers and one the employers. It has been left absolutely to their discretion to send the delegate they choose, without any qualification. I cannot see how we could make it mandatory either on the employers' side or the workers' side to restrict their choice of member.

Mrs. Fairclough: May I interrupt to say I covered that point. The only reason I asked for an additional member was that I realized that you cannot tamper with their selection of delegates to the commission.

Mr. Cote (Verdun-La Salle): Yes, but I come to this point. If another member is added, that would disturb the proper balance of the board. As I mentioned, it consists of two members plus a chairman appointed by the government. If I may I would like to mention to my hon. friend that on the various employment committees we have across the country, on the national level, the regional level and the local level there has been representation of women all along. If my hon.

friend is interested I would like to put on the record the representatives that actually sit on those boards. On that national employment committee we have Mrs. G. D. Finlayson, vice-president of the national council of women of Canada. On the regional employment committee for the Atlantic region we have Mrs. G. O. Spencer of Moncton, also of the national council of women.

Mrs. Fairclough: Might I interrupt to say it would make this more interesting if the parliamentary assistant in giving the names of these people would say what their respective occupations are.

The Chairman: Order. If the amendment is declared to be in order then debate may be carried on, but on the other hand if I am of the opinion that the amendment is not in order I cannot entertain any discussion except that which has to do with the point of order itself. I do not think that at the moment the parliamentary assistant is speaking to the point of order.

Mr. Cote (Verdun-La Salle): I agree, Mr. Chairman, but I wanted to be as courteous as possible to my hon. friend in view of the interesting suggestion she has made. I do not think it would be practical, and I fully subscribe to the comments of the minister a little while ago when he said that in his opinion the amendment was out of order because it involved the expenditure of public money.

Mrs. Fairclough: May I say that when anything new is proposed it is said either to be impractical or that the applicant is demonstratively unsuited for the job, or there is some other such vague illusion. I refuse to concede that this appointment would be impractical. I think it would be highly practical and that a suitable person could be found to fill the position. That person would not necessarily have to be suggested by the employers or the workers but would have full knowledge of women's working conditions in Canada. That member would not be appointed because of general interest in local conditions but rather in national conditions.

The Chairman: Order. In the course of the discussion on clause 1 the hon. member for Hamilton West moved that the following section be added to the bill:

> That section 4 of the Unemployment Insurance Act be amended:
>
> (a) by substituting the word "four" for the word "three" in the third line thereof and
>
> (b) by deleting all the words after the word "council" in the fourth line thereof and substituting the following: "one of whom shall be a chief commissioner and one of whom shall be a woman."

[Mr. Cote (Verdun-La Salle).]

The section if amended would read:

> This act shall be administered by a commission to be called "The Unemployment Insurance Commission," which shall consist of four commissioners, who shall be appointed by the governor in council, one of whom shall be a chief commissioner and one of whom shall be a woman.

My predecessor in the chair earlier in the day, the deputy chairman, suggested to the hon. member for Hamilton West that this addition of a section to the bill might more properly be considered after consideration of section 20, since it is an addition to the bill. Citation 670, as it appears in Beauchesne's third edition, page 232, confirms that view. It says:

> In committee all the clauses of the bill are considered before any new clauses are brought up and added to the bill. But this practice is not rigorously followed and the committee is generally guided by what is most convenient in each particular case.

I think he was quite right in considering that it was more convenient to discuss this after dealing with section 20 since it is an addition to the bill.

A point of order has been raised by the Minister of Labour, that the amendment would not be in order because it would give the government a direct order to expend some additional money. It would increase the financial responsibility of the government. I have looked at the act and find that the addition of one member would make an additional expenditure of $9,000 a year since that is the present salary of each of the commissioners who are now appointed. Therefore it is a case upon which decisions have been rendered on many occasions in the past. Perhaps I might refer hon. members to citation 453 which appears in Beauchesne's third edition at page 171 and which reads as follows:

> The tendency has been in the Canadian House of Commons, for the past twenty-five years, to rule out all motions purporting to give the government a direct order to do a thing which cannot be done without the expenditure of money.

Citation 437 of Beauchesne's third edition, page 167, reads in part:

> No principle is better understood than the constitutional obligation that rests upon the executive government, of alone initiating measures imposing charges upon the public exchequer.

From time to time rulings based on these citations have been appealed. I have one in mind which appears at page 306 of the *Journals* for Tuesday, 29th November, 1949, when Bill No. 194 was under consideration in the committee of the whole. The hon. member for Assiniboia moved at that time that clause 4, subclause 2 be amended by deleting therefrom the words "fifty per centum" and by substituting therefor the words "seventy-five per centum". The chairman ruled the amendment out of order on

the ground that it increased the financial responsibility of the government. The hon. member for Winnipeg North Centre appealed from the ruling of the chairman, and that ruling was sustained.

Basing my ruling on the citations I have just quoted, I am sorry but I must declare the amendment out of order.

Mrs. Fairclough: Of course I bow to the ruling of the chair; but I can only ask the minister to consider this matter very carefully before next year, as was already suggested by the hon. member for Haldimand, because I believe it is a problem that must be considered in the days which are to come. The participation of women in the working classes is becoming increasingly prevalent and I ask the minister to take this under consideration. If there is any way in which I can assist I will be only too glad to do so.

Mr. Dupuis: I have a question to ask the minister, but I wonder whether this is the right time to ask it. Is the suggestion made in some circles of giving benefits to people on strike receiving proper study and consideration by the unemployment insurance commission?

The Chairman: Order. That question does not come within the scope of this bill. The hon. member may ask the question when the estimates of the Department of Labour are before the committee.

Section agreed to.

Title agreed to.

Bill reported.

Mr. Gregg moved the third reading of the bill.

Mr. Stanley Knowles (Winnipeg North Centre): Just before the motion is put for third reading of the bill, Mr. Speaker, may I say just a further word to the Minister of Labour. I appreciate, although I do not agree with, the stand he has taken with respect to our oft-repeated representations on behalf of the recipients of unemployment insurance benefits who become ill while they are in receipt of those benefits. I hope that, in spite of the stand he has taken today, he will give further consideration to the particular problem I have outlined to him on a number of occasions. If his further consideration leads him to feel he cannot change his opinion, I hope he has been impressed with the seriousness of this problem, as I am sure he has out of his own experience, and that he will come to the conclusion that something has to be done about it.

I hope the remarks made in this debate by my colleague the member for Cape Breton South (Mr. Gillis), the member for Broadview (Mr. Hees) and others will impress themselves upon the minister's mind so he will realize, as I am sure he does, that this problem must be attended to soon. Accordingly I ask him to use what influence he can with his colleagues in the cabinet, and he knows whom I mean, for the early introduction of a nation-wide health insurance program, including a provision for sickness benefits.

Motion agreed to and bill read the third time and passed.

NORTHWEST TERRITORIES ACT

AMENDMENT TO REVISE AND CONSOLIDATE, ETC.

Hon. Robert H. Winters (Minister of Resources and Development) moved the second reading of Bill No. 337, respecting the Northwest Territories.

He said: Hon. members will recall that at the second last session of parliament a number of amendments were made to the Northwest Territories Act. Recognizing the continued and healthy growth of the territories, the principal amendment provided to the citizens of the territories the opportunity to elect three out of the total of eight members of the territorial council. The election was held under the supervision of the chief electoral officer, and the three newly elected members joined with their five appointed colleagues at the first meeting of the council ever to be held in the territories. It assembled in Yellowknife on December 10, 1951, and its opening was attended by proper ceremonial. The citizens of Yellowknife, through the warmth of their reception, their interest and enthusiasm, showed clearly that they welcomed this evidence of their new status.

The Northwest Territories Act was first passed in 1869. There have been several revisions and consolidations since then. The last revision was in 1927. The present Northwest Territories Act is contained in chapter 142 of the Revised Statutes of 1927, and four amending acts were passed in 1938, 1940, 1948 and 1951. The legislative powers conferred upon the commissioner in council by the present act are set out in sections 9 and 10, which confer upon the commissioner in council legislative jurisdiction over most of the subjects in which, under the British North America Act, the various provinces of Canada have jurisdiction.

There are several other matters in respect of which provinces usually have jurisdiction

and in respect of which it is now proposed to confer jurisdiction upon the commissioner in council of the territories. These are roads, wills, the property of married women, coroners and inquests, controverted elections, the manufacture and possession of intoxicants, the establishment, maintenance and management of hospitals, and agriculture. At the present time all these matters are within the jurisdiction only of parliament. However, with the rapid progress in economic development in the territories and the substantial increase in population consequent thereto, it is now considered desirable to authorize the legislature of the territories to deal with these matters, and to repeal sections of the Northwest Territories Act dealing specifically with them.

In the past there has not been, nor is there now, statutory provision for the establishment of a consolidated revenue fund into which territorial revenues from direct taxation within the territories are paid and out of which disbursements for territorial purposes may be made. It is therefore proposed that there be in the Northwest Territories Act a provision for a territorial revenue account which will be maintained as a separate account in the consolidated revenue fund of Canada.

The territorial court was disestablished in 1905, when the provinces of Saskatchewan and Alberta were created out of the territories. Since that time judicial functions, both civil and criminal, have been exercised by stipendiary magistrates, who have the powers, authorities and functions which were vested in a judge of the supreme court of the Northwest Territories prior to its disestablishment. The increase in population in recent years has resulted in an increase in the number of civil and criminal cases requiring trial by an experienced judge. It is therefore now considered desirable to re-establish the territorial court. It is proposed that the judge of the territorial court of the Yukon Territory will be ex officio the judge of the territorial court of the Northwest Territories, thus providing for the proper trial of cases without the necessity of appointing an additional judge. Corollary thereto, it is proposed also to provide for the appointment of police magistrates, in whom will be vested power to try minor civil and criminal cases, and who will have jurisdiction comparable to that exercised by police magistrates in the provinces. The present stipendiary magistrates resident in the territories will be appointed police magistrates.

Consequent upon the re-establishment of the territorial court, it is also proposed to redefine the areas in respect of which provincial courts have concurrent jurisdiction with territorial courts. At the present time the superior courts of the provinces of Ontario, Quebec, Nova Scotia, New Brunswick and Prince Edward Island have in all parts of the territories east of the 89th meridian, and the superior courts of the provinces of Manitoba, Saskatchewan, Alberta and British Columbia have in all parts of the territories west of the 89th meridian, the same jurisdiction in civil matters arising in the territories as they have in respect of matters arising within the territorial limits of their ordinary jurisdiction. This has in some cases led to abuse. For example, writs have been issued in Edmonton against residents of Aklavik, with the result that the defendants have been put to extraordinary expense in making their defence at a place so far from their normal place of residence. Aklavik, located on the Arctic ocean, is 1,300 miles from Edmonton and there are no highways or railways leading to it.

It is of course still desirable to provide concurrent jurisdiction for areas of the territories where the population is sparse. It is therefore proposed to limit concurrent jurisdiction to the superior courts of the provinces of Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland in civil matters respecting persons and property in the territories east of the 102nd meridian, and to repeal the present provision for concurrent jurisdiction in respect of matters arising west of the 102nd meridian.

Provision is made for appeals to the court of appeal of Alberta from judgments respecting matters in areas west of the 102nd meridian, and to the courts of appeal of the provinces exercising concurrent jurisdiction in matters arising east of the 102nd meridian. It might be helpful if I stated that the 89th meridian passes through Hudson bay and the 102nd meridian is the boundary between Manitoba and Saskatchewan.

This bill seeks authority to have jurisdiction conferred upon the commissioner in council with regard to the manufacture and possession of intoxicants. At the present time this jurisdiction is vested in parliament although the commissioner in council now has jurisdiction regarding the sale of liquor. This double jurisdiction has caused some confusion, and it is considered desirable to delete from the Northwest Territories Act provisions regarding the manufacture and possession of intoxicants, so that all legislation relating to the manufacture, possession and sale of intoxicants may be contained in one statute, namely the territorial liquor ordinance.

It is proposed to delete from the act a number of sections relating to criminal matters. These will now be contained in the revised Criminal Code.

Another section of the bill would confer upon the governor in council authority to make regulations concerning reindeer. As hon. members may be aware, since 1933 the government of Canada has maintained reindeer herds in the territories for the benefit of natives. There are now three herds managed by native herders. It is planned to establish at least two more during the next few years and it is therefore considered desirable to give to the governor in council authority to make regulations concerning such reindeer.

There are several other minor amendments which I do not think need be mentioned at this time.

The bill contains 48 sections. Of these only 23 either are new or embody substantial changes from the present act. The remaining 25 sections are included chiefly to effect a consolidation and embody no substantial changes in the provisions of the present act.

The present act with amendments to date contains 117 sections. Seventy-two sections have been dropped. As mentioned, these sections refer to criminal law, coroners and juries, married women's property, wills and other miscellaneous subjects, all of which are adequately covered in other legislation or will be covered by territorial ordinance.

Mr. Rodney Adamson (York West): Mr. Speaker, I think this bill can be welcomed by the house in that it is merely bringing up to date what is in fact the constitution of the Northwest Territories. I would hope to see in the near future the ratio of the elected members to appointed members of the council increased in favour of the elected members. However, as the area of the territory is so vast one cannot as yet treat the area in the same way a province is treated; and possibly one will not be able to do so for many years to come.

The other hope one can have is for the establishment of a superior court in the territory. I realize that this also is a matter of difficulty. In the past litigants have suffered tremendous hardships in travelling to the superior courts of the various provinces. The distances even in the territories are greater than that across the Atlantic ocean. That illustration will give the house some idea, perhaps, of the tremendous size of the territory involved.

In passing I should like merely to mention the job that was done in driving the reindeer herd. There have been a number of scientists and other men such as explorers who have done a job which I think is unique in all the history of treks. For seven years the reindeer on which the economy of the Eskimo so largely depends were driven from their original feeding grounds into the eastern Arctic. The epic of the drive of those reindeer herds is, in my opinion, one of the great sagas in the history of the north.

I welcome this bill. If there are any objections to it, I feel they can be dealt with as we go through the bill clause by clause.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. McCulloch in the chair.

Section 1 agreed to.

On section 2—*Definitions.*

Mr. McLure: Under the definition of intoxicants in paragraph (e) would come certain hair lotions or hair tonics. There is one in particular that is being used a great deal today, from which a drink is made. It is called "shako". The reason it is called "shako" is that those who use it are obliged to take it out of a bottle similar to that which the barber uses, and to take it out by drops. But judging by the arrests made for drunkenness it is the most potent thing on the market today. If anyone wants to get a real kick from intoxicating beverages I am sure that he will find that "shako"—if it is not prohibited according to this definition—will give him a real one, according to police records. I should like to know from the minister whether the definition which mentions these various things such as drinkable liquids, preparations or mixtures, would include any of those hair tonics that half the people are getting drunk on today.

Mr. Winters: It would, Mr. Chairman. If it were a drinkable liquid such as "shako" and then was used as an intoxicant, in that case it would.

Mr. Herridge: I am rather intrigued by paragraph (e) of section 2. The wording is rather interesting to me. It reads to this effect:

> . . . and all drinks, drinkable liquids, preparations or mixtures capable of human consumption that are intoxicating.

Will the minister explain to the committee the difference between "drinks" and "drinkable liquids"? Does that wording not seem to be superfluous?

Mr. Winters: I cannot suggest any difference at the moment between drinks and drinkable liquids. This section was taken in toto from a similar section in the Indian Act, and the wording is the same.

Mr. Herridge: It does seem redundant.

Section agreed to.

Sections 3 to 12 inclusive agreed to.

Northwest Territories Act

On section 13—*Legislative powers.*

Mr. Browne (St. John's West): Is paragraph (r) the same as in the other act? It says there is no change in substance from section 12 of the old act in regard to education.

Mr. Winters: This is the same as section 12 of the old act. There is no change in wording.

Section agreed to.

Sections 14 to 16 inclusive agreed to.

On section 17—*Laws of England.*

Mr. Black (Cumberland): I am not a member of the legal profession, but I should like to know why they are taking as their authority the laws of England rather than the laws of the provinces, federal laws, the Criminal Code, and so on? It says:

> Subject to this act, the laws of England, relating to civil and criminal matters . . .

Mr. Winters: If the hon. member reads all of section 2 he will see the reason for that.

Section agreed to.

Section 18 agreed to.

On section 19—*Territorial revenues.*

Mr. Catherwood: Will the minister explain the reason the change is made so that all territorial revenues shall be paid into the consolidated revenue fund? What would be the advantage of that system?

Mr. Winters: It is to regularize the accounting procedure. Prior to the time this legislation will have been enacted the revenue accumulates in the consolidated revenue fund in some instances; in other instances and as in the case of liquor the revenue is paid into what was known as the territorial liquor fund. We are now seeking to establish the practice of putting all territorial revenues into a separate account in the consolidated revenue fund where revenues and expenditures will be centralized.

Mr. Brooks: What relation is there between the expenditures and the revenues of the Northwest Territories? Is there any? Will the revenues in any way pay for the expenditures?

Mr. Winters: No; the expenditures are still quite considerably higher than the revenues obtained directly from the Northwest Territories. The other night when the resolution was being considered I put the figures on record. I think they are of the order of ten to one.

Section agreed to.

Sections 20 to 27 inclusive agreed to.

[Mr. Herridge.]

On section 28—*Meaning of Court of Appeal.*

Mr. Browne (St. John's West): Subsection 2 reads:

> Subject to subsection 3, an appeal lies from the final judgment of a judge of the court to the appropriate court of appeal in any civil case where (g) the action is for divorce or judicial separation.

With respect to the section which was referred to by the hon. member for Cumberland in regard to the laws of England, did the laws of England in 1870 grant divorce?

Mr. Winters: They did.

Mr. Browne (St. John's West): Is that the reason for this section?

Mr. Winters: There is no change here. The provision has always been the same.

Mr. McLure: You have been going so fast that I have not been able to keep up. I wanted to ask a question on section 27. How is the grand jury paid?

Mr. Winters: The section says that no grand jury shall be summoned or sit in the territory.

Mr. McLure: No grand jury?

Mr. Winters: No.

Section agreed to.

Sections 29 to 31 inclusive agreed to.

On section 32—*Appointment.*

Mr. Brooks: With reference to the appointment of magistrates, can they be appointed from any province in Canada outside the Northwest Territories, provided that there are not sufficient barristers in the Northwest Territories? I would ask the same question with regard to the appointment of judges.

Mr. Winters: The answer is yes, from any part of Canada.

Section agreed to.

Section 33 agreed to.

On section 34—*Civil jurisdiction.*

Mr. Black (Cumberland): I think we will all agree that you are doing your part in enacting very profound legislation, Mr. Chairman, with the help of the members who are present. I refer to the speed with which you are accomplishing your task.

The Chairman: I have to interrupt the hon. member. I would like to hear the remarks he is now making. I think they are addressed to me. Would he be kind enough to speak louder, please?

Mr. Black (Cumberland): I do not know that I can assist, Mr. Chairman. I was complimenting you and other hon. members on the task you are performing in enacting

very profound legislation with the help of hon. members who are present. That is all I was saying. You are calling section after section, and we do not know, until you have called it and gone on to the next section, just what is being enacted. I suppose someone has to be complimented. You being the chairman, we compliment you.

The Chairman: Would it help the hon. member if I called these clauses slower? If the rate I am calling them is too fast I will very gladly slow down. The hon. member will realize that when I call a clause and nobody rises I cannot wait until some hon. member makes up his mind to speak up five or ten minutes after the clause is called.

Section agreed to.

Section 35 agreed to.

On section 36—*Appointment.*

Mr. Herridge: Subsection 2 of section 36 reads:

> Every commissioned officer of the Royal Canadian Mounted Police is, when he is in the Territories, *ex officio*, a justice of the peace in and for the territory.

My question is this. Commissioned officers in the territories would be few and far between. Because of that fact, is there any possibility that a man might be arrested on a charge as a result of the action of a commissioned officer in the territories, and then find that at the same time that commissioned officer would be trying the case as a justice of the peace, even indirectly?

Mr. Winters: In practice that particular officer would not sit in judgment, and that condition would not arise.

Section agreed to.

Section 37 agreed to.

On section 38—*Prisons in the territories.*

Mr. Brooks: I note from the clause that any imprisonment up to two years may be made in the territories. In connection with more serious crimes, is provision made for confinement in any other penitentiary in the dominion? Is it necessary to have a clause in the act to that effect? I do not see one.

Mr. Winters: No. Provision is made and it is taken care of in the Penitentiaries Act.

Mr. Macdonnell (Greenwood): May I ask the consent of the committee to be allowed to ask a question with regard to section 27 which says that no grand jury shall be summoned or sit in the territories. If I have the consent may I ask this question? My understanding is that the grand jury is usually regarded as filling a useful function. May I be informed on that?

Mr. Winters: That is exactly the same provision as is now contained in section 41(2) of the act. There is no change in wording or substance.

Mr. Macdonnell (Greenwood): Could the minister go farther and say it has been considered on its merits, and that it was not thought to be needed or desired?

Mr. Winters: It has been considered on its merits, and has not been found necessary up to the present time.

Section agreed to.

Section 39 agreed to.

On section 40—*Roads; subject to control of commissioner.*

Mr. Black (Cumberland): I notice that this section refers to roads, streets, lanes and trails. What is proposed with respect to the construction of roads and streets in this enormous area? Are there to be special appropriations in the estimates to provide for streets in small communities? Who will be responsible for the expenditure of those moneys? What engineers are there in the area, including the built-up communities? Have those areas been surveyed, with due regard to their natural resources, mineral developments and the like?

Mr. Winters: All the communities have been surveyed and laid out. Some of them are a good size, the largest being Yellowknife, Fort Smith and Hay River. The system of providing roads is one which has grown up over the years. In most cases each project was treated on its merits. Today this has been somewhat regularized, so that the roads have been divided into three general classifications.

The first of these is resource roads. These are roads intended to enable the resources of the area to flow into the economy of Canada, and they are considered to be the responsibility of the federal government. They are built and maintained out of funds appropriated by parliament.

The second classification is that of trunk roads. These are roads connecting two settlements or two administrative districts, and they are considered primarily to be the responsibility of the territorial government. But here, too, depending upon the circumstances and merits of the case, the federal government may participate both in respect of capital cost in the first instance and the cost of maintenance in the second place.

The third classification is that of local roads. These are roads within settlements, such as roads within the administrative district of Yellowknife. They are the responsibility of the local administrative district.

Section agreed to.

On section 41—*Regulations respecting reindeer.*

Mr. McLure: What are the regulations with reference to the moving of the herds of reindeer? Are they all in one district at the present time, or are they transferred to different districts? How many animals can be killed for the benefit of the Eskimos or the Indians each year? Then I am in some doubt as to the meaning of the words "part thereof" where they occur in that part of the section which reads:

> Where a peace officer or any person who is a game officer under any ordinance has reasonable grounds for believing that any reindeer or part thereof has been taken.

Mr. Winters: The expression "part thereof" normally applies to reindeer heads taken as trophies.

Section stands.

Progress reported.

THE ROYAL ASSENT

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

> Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act for the relief of Ludwik Bulkiewicz.
An act for the relief of Jean Betton Harris.
An act for the relief of Violet Mary Bailey Black.
An act for the relief of Corinne Larocque Sergent.
An act for the relief of Omer Montpetit.
An act for the relief of Ismena Archange Labatt Chipman.
An act for the relief of Rose Larocque Crawford.
An act for the relief of Gladys Lucille Jane Annal Williams.
An act for the relief of Emily Amelia Ahern Manhire.
An act for the relief of Margaret Joyce Berryman Thomas.
An act for the relief of Lillian Deutsch Payne.
An act for the relief of Murdoch Graham Nicholson.
An act for the relief of Jeanne Antoinette Sophie Helena Kessler Meyer.
An act for the relief of John Stachyshyn.
An act for the relief of Theodora Dunska Williams.
An act for the relief of Marguerite Mary Winn Nelson.
An act for the relief of Roger Pilon.
An act for the relief of Winnifred Shirley Nice Perry.
An act for the relief of Ursula Runge Kniewel Fijalkowski.

An act for the relief of Bella Sybil Feinman Brenton.
An act for the relief of Helen Kouri Cumas.
An act for the relief of Cora Marguerite Blume.
An act for the relief of Marie Maude Louise Ladriere Cook Tooby, otherwise known as Marie Maude Louise Ladriere Cook-Salisbury Tooby.
An act for the relief of Laetitia Daigneault Martel.
An act for the relief of James Alexander Ford.
An act for the relief of Joseph Gerard Abondius Fauvel.
An act for the relief of Richard Patenaude.
An act for the relief of Francoise Bellehumeur Dixon.
An act for the relief of Cynthia Daphne Roberts Gagne.
An act for the relief of Dorothy May Tucker Patterson.
An act for the relief of Reginald Clare Darrah.
An act for the relief of Marjie Weston Frost Law.
An act for the relief of Carmen Verna Garcia Copping.
An act for the relief of Edna Ruth Dowsett Young.
An act for the relief of Eleanor Mary Courtney Flannery.
An act for the relief of Florence (Fannie Ruth) Sacks Roitman.
An act for the relief of William Wallace Watson.
An act for the relief of Russell James Barrett.
An act for the relief of Alice Sabria O'Connor Muskett.
An act for the relief of Julia Emma Pearl Sager Noiseux.
An act for the relief of David Gilmore Bennett.
An act for the relief of Kathleen Hilda Turk Woodall.
An act for the relief of Mary Elizabeth Cate Lowe.
An act for the relief of Aldea Gendreau Bourbonnais.
An act for the relief of Peter Ernest Walker.
An act for the relief of Dorothy Agnes Kearns Bradley.
An act for the relief of Sarah Bernstein Smith.
An act for the relief of Margaret Gladys Redman Glassco.
An act for the relief of Louise Joslyn Smith Harvey-Jellie.
An act for the relief of Bertha Naujoks Stehr.
An act for the relief of Margit Aloisia Payer Worontschak.
An act for the relief of Leo Kendall.
An act for the relief of Tom Barnard Clayton Gould.
An act for the relief of Helene Laura Solomon Wiseberg.
An act for the relief of Joan Borland White.
An act for the relief of John Laurence McDonough.
An act for the relief of Jean Wiseman Schwartz.
An act for the relief of Judith Sorel Riven Gainsbury.
An act for the relief of Agnes Bertha Baugh Guimont.
An act for the relief of Genevieve Flora Agatha Brown Smith.
An act for the relief of Marcelle Alice Beliveau Martin.
An act for the relief of Marcel Despatis.
An act for the relief of Joseph Wilfrid Ernest Senecal.
An act for the relief of John Harold Roger Wright.
An act for the relief of Agathe Neubauer Landsberg.
An act for the relief of Norma May Attridge Chilton.
An act for the relief of Andrea Gendron Repper.
An act for the relief of Edith Bessie Franks Parsons.

An act for the relief of Annie Teresa Nash Pelltari.

An act for the relief of Mary Clemence Morice Waldbauer.

An act for the relief of John Gordon Smithers.

An act for the relief of Libby Levine Bloom.

An act for the relief of Shirley Israel Thau.

An act for the relief of Ralph Patrick Barker.

An act for the relief of Madeleine Kostick Glock.

An act for the relief of Olive Myrtle Weston Rouet.

An act for the relief of John William Day.

An act for the relief of Marcelle Marchand Adams.

An act for the relief of Marie Marguerite Germaine Aubert Forest.

An act for the relief of Betty Lauraine Conner Norell.

An act for the relief of Francoise Marguerite Beaudin Patrick.

An act for the relief of Greta Mildred Duncan Croteau.

An act for the relief of Leo Bercovitch.

An act for the relief of Joseph Raymond Demers.

An act respecting The Burrard Inlet Tunnel and Bridge Company.

An act to amend the Excise Tax Act.

An act to amend the Excise Act, 1934.

An act respecting the establishment of a National Library.

An act to amend The Tariff Board Act.

An act to amend The Canada Elections Act.

An act respecting the construction of a line of railway by Canadian National Railway Company from Terrace to Kitimat, in the province of British Columbia.

An act to amend the Canadian Farm Loan Act.

An act to amend The Emergency Gold Mining Assistance Act.

An act respecting the Sisters of Charity of the House of Providence.

An act respecting a certain patent application of The Garrett Corporation.

An act to incorporate The Great Eastern Insurance Company.

An act respecting The Economical Mutual Fire Insurance Company.

An act to incorporate Equitable Fire Insurance Company of Canada.

An act to incorporate The National Dental Examining Board of Canada.

The Royal Assent

An act to amend The Income Tax Act.

An act to amend the Customs Tariff.

An act to amend The Canada-France Income Tax Convention Act, 1951.

An act to amend the Aeronautics Act.

An act to amend The Dominion Succession Duty Act.

An act to amend the British North America Acts, 1867 to 1951, with respect to the readjustment of representation in the House of Commons.

An act for the Control of Traffic on Government Property.

An act to amend the Industrial Development Bank Act.

An act to amend the Criminal Code (race meetings).

An act to amend the Cold Storage Act.

An act to amend The Canada Dairy Products Act.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull) moved the adjournment of the house.

Mr. Black (Cumberland): Could we have a word from the man who directs our shortcomings about what we are to do tomorrow?

Mr. Fournier (Hull): Mr. Speaker, tomorrow we will take up the motion in the name of the Prime Minister concerning pensions to long service members of the House of Commons and refer the subject matter to the standing committee on banking and commerce. Then if I have the co-operation of my friend perhaps we might complete Bill No. 337, respecting the Northwest Territories, which we did not pass today. Then we will take up the estimates of fisheries, mines and technical surveys, external affairs and secretary of state.

Motion agreed to and the house adjourned at 6.10 p.m.

55704—216½

HOUSE OF COMMONS

Thursday, June 19, 1952

The house met at eleven o'clock.

AGRICULTURE AND COLONIZATION

Second report of standing committee on agriculture and colonization.—Mr. Bater.

PRIVATE BILLS

FIRST READINGS—SENATE BILLS

Bill No. 348, for the relief of Maurice Speyer.—Mr. Winkler.

Bill No. 349, for the relief of Lorraine Souillet Heaven.—Mr. Winkler.

Bill No. 350, for the relief of Charlotte Elizabeth Johnston Rawson.—Mr. Winkler.

Bill No. 351, for the relief of Eleanor Luba Hirschfield Mott.—Mr. Winkler.

Bill No. 352, for the relief of Marguerite Anne Sweeting Russell.—Mr. Winkler.

Bill No. 353, for the relief of Amy Stirling Price.—Mr. Winkler.

Bill No. 354, for the relief of Jean Irene Ross Roche.—Mr. Winkler.

Bill No. 355, for the relief of Regina Landry Brouillard.—Mr. Winkler.

Bill No. 356, for the relief of Jean-Paul Malo.—Mr. Winkler.

Bill No. 357, for the relief of Robert Arthur Reeve.—Mr. Winkler.

Bill No. 358, for the relief of Joyce Mary Barton Vallis.—Mr. Winkler.

Bill No. 359, for the relief of Lawrence Edward James.—Mr. Winkler.

Bill No. 360, for the relief of Helene Mary Reusing Hutchins.—Mr. Winkler.

Bill No. 361, for the relief of Charles Lewis Lipton.—Mr. Winkler.

Bill No. 362, for the relief of Joseph Kovacs.—Mr. Winkler.

MEMBERS OF PARLIAMENT

PROPOSAL FOR LONG SERVICE PENSION PLAN

Right Hon. L. S. St. Laurent (Prime Minister) moved:

That the subject of a pension plan for members of parliament after long service based on contributions by all members be referred to the standing committee on banking and commerce.

Mr. E. D. Fulton (Kamloops): Mr. Speaker, before the motion is adopted I want to say just a word. I have indicated to my colleagues in my own party and to all others with whom I have had an opportunity to discuss this matter since it was first mooted at this session that I could not agree with the pension plan at least so far as it has been disclosed to us up to the present.

My feeling is that if it is desired that members of parliament should have pensions for long service, and the members are prepared to finance that plan on the basis of their own contributions, then there would be no objection to it. But as the plan has so far been outlined—and I must say that we have not any real specific details of it and therefore my remarks this morning will be short—in so far as we do have knowledge of it, I understand it is to be financed on the basis of an equal contribution from the treasury, that is from the taxpayers of Canada. On the basis that I now understand it, it will be of a nature far more generous and available at times far shorter than is usually the case with pension plans. It seems to me wrong in principle for members of parliament in this way to vote themselves a pension on a basis more generous than the usual plan, by means of a contribution from the treasury.

Now, Mr. Speaker, I understand this matter is to be referred to the standing committee on banking and commerce, and it may be that particulars will be given there which minimize the objections which I have to it. But on the basis of my understanding of the scheme presently under consideration, I have felt and still feel that it is wrong in principle, and I wish to indicate at this stage that I have that feeling and am opposed to it.

Motion agreed to.

FINANCE

ADMINISTRATIVE CHANGES RESPECTING CURRENCY, THE MINT AND THE EXCHANGE FUND

Hon. Douglas Abbott (Minister of Finance) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to introduce a measure intituled, "An Act respecting Currency, the Royal Canadian Mint and the Exchange Fund," providing therein for certain administrative changes, and repealing the Currency Act, part II of the Department of Finance and Treasury Board Act, sections twenty-eight, twenty-nine and thirty of the Bank of Canada Act and the Foreign Exchange Control Act.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

Inquiries of the Ministry

POSTAL SERVICE

MAIL DELIVERY TO SABLE ISLAND

On the orders of the day:

Mr. S. R. Balcom (Halifax): May I ask the Postmaster General if his department has made arrangements with the Royal Canadian Air Force to drop mail to the residents of Sable island during the course of training flights?

Hon. Alcide Cote (Postmaster General): I want to thank the hon. member for having given me notice of his question. I might inform him that at the present time there are standing instructions to the effect that mail is to be dispatched on every available flight going to Sable island. I may add that I shall be glad to inquire into the possibility of using Royal Canadian Air Force training flights to drop mail on the island.

ORAL ROBERTS HEALING CAMPAIGN

CUSTOMS CHARGES ON ENTRY INTO CANADA

On the orders of the day:

Hon. J. J. McCann (Minister of National Revenue): I should like to refer to the question asked in the house by the hon. member for Haldimand (Mr. Catherwood) concerning the payment of $700 as custom charges on the entry into Canada of the Oral Roberts Healing Campaign. This matter was dealt with in accordance with routine practice.

The equipment imported by this evangelist consisted of a large tent capable of seating 10,000 persons, the necessary chairs, lighting equipment, loud speakers, furnaces, organ, etc., all transported in eight trucks and seven trailers. This equipment, in the ordinary course, would be subject to payment of duty on its full value, but in accordance with customary practice the sanction of council was obtained for collection of duty on the trucks and equipment on 1/60th of their value, per month.

HOUSING

LOW-RENTAL ACCOMMODATION—ARRANGEMENTS WITH PROVINCES FOR APPORTIONMENT OF COST

On the orders of the day:

Mr. Donald M. Fleming (Eglinton): Will the Minister of Resources and Development table in the house the agreement recently entered into with the province of Ontario under which the province is assuming the full 25 per cent portion of the cost of providing low-rental housing under section 35 of the National Housing Act, thereby relieving the municipalities of the burden?

[Mr. Abbott.]

Hon. Robert H. Winters (Minister of Resources and Development): There is no new agreement between this government and the government of the province of Ontario. The legislation and the basic agreement provides for the government of Canada to pay 75 per cent of the cost of projects under section 35, and the provincial government to pay 25 per cent. How they apportion that 25 per cent between themselves and the municipalities is a matter for them.

Mr. Fleming: I assume that the minister saw the press report in yesterday's press indicating that there was a new agreement in that respect entered into between the province of Ontario and the dominion, under which the province was assuming all of the municipalities' 7½ per cent share. Is there anything in that press report at all?

Mr. Winters: Yes, I understand there is something in that press report. We have been aware of discussions the government of Ontario has been having with the municipalities, and they have arrived at some new apportionment of the costs which I understand will be helpful to the municipalities. This arrangement could have been entered into at any time since the legislation was enacted in 1949.

KOREA

CANADIAN TROOPS ON KOJE ISLAND—REPLY TO REPRESENTATIONS TO THE UNITED STATES

On the orders of the day:

Hon. L. B. Pearson (Secretary of State for External Affairs): Yesterday, Mr. Speaker, the hon. member for Rosetown-Biggar asked me if we had received a reply from the United States government to the note we addressed to them regarding the dispatch of a Canadian company for duty on Koje island in Korea. As I indicated, that reply came in yesterday morning, and I have now had a chance to examine it.

In that reply the United States government states its appreciation of the importance attached by the government of Canada to the maintenance of Canadian forces as a unit, and the feeling underlying Canada's traditional position in this matter, and therefore, the United States government desires to meet the wishes of the Canadian government in so far as is practicable without endangering the United Nations military effort in Korea. This friendly assurance is welcomed and the qualification is understood and quite acceptable, as it was, of course, never our intention that the natural desire to keep Canadian forces together under Canadian command should be permitted to endanger the United Nations military effort in Korea.

CIVIL SERVICE

QUESTION AS TO FIVE-DAY WEEK

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): May I ask the Minister of Finance if he is in a position to report to the house on his recent discussions with civil service representatives concerning the possibility of the five-day week?

Hon. Douglas Abbott (Minister of Finance): No, I am not.

Mr. Knowles: Will the minister be in a position to discuss the matter when we reach his estimates?

Mr. Abbott: I shall be in a position to answer questions, but I do not know that I shall be able to give a great deal of information in addition to what has already been furnished.

NORTHWEST TERRITORIES ACT

AMENDMENT TO REVISE AND CONSOLIDATE, ETC.

The house resumed, from Wednesday, June 18, consideration in committee of Bill No. 337, respecting the Northwest Territories—Mr. Winters—Mr. Beaudoin in the chair.

On section 41—*Regulations respecting reindeer.*

Mr. Adamson: Before this section carries, Mr. Chairman, I should like to say one word in connection with those who have been responsible for the policy of shifting reindeer. I should like to let the house know of the excellent work which was done, particularly by one Dr. Porsild, as well as many others in the department. They have moved these reindeer many thousands of miles over a period of many years. The movement of the herd will mean that the economy of the whole eastern Arctic, having regard to the Eskimos, may now be placed on a stable basis.

I could not allow this one clause to pass without paying tribute to the men who have been responsible for this work and particularly to Dr. Porsild, not only because he has done this work with regard to the reindeer but because his work with regard to the shifting of the caribou is also outstanding. When we have public servants of such outstanding merit as are the people who have done this job of pioneering in this territory, I think we in the House of Commons should commend them whenever possible.

Section agreed to.

Northwest Territories Act

On section 42—*Manufacture and importation of intoxicants.*

Mr. Fraser: Are the regulations with regard to the sale of liquor to Indians the same in these territories as they are in other parts of Canada?

Mr. Winters: The same regulations in that connection prevail in the Northwest Territories as elsewhere in Canada.

Mr. Fraser: What about sale to the Eskimos?

Mr. Winters: Sale to the Eskimos is prohibited.

Mr. Fraser: It is also prohibited?

Mr. Winters: Yes.

Section agreed to.

Sections 43 to 48 inclusive agreed to.

Title agreed to.

Bill reported, read the third time and passed.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF FISHERIES

141. Departmental administration, $294,900.

Hon. R. W. Mayhew (Minister of Fisheries): Mr. Chairman, on Friday last the hon. member for Burin-Burgeo rose to speak just before the house adjourned, and it is his right to speak first this morning. However, I asked him if I might have the privilege of first answering the two hon. gentlemen who spoke on Friday, namely the hon. member for Skeena and the hon. member for St. John's West. The hon. member has kindly consented to allow me to do that. First, I should like to thank the hon. member for Skeena for his kind remarks with regard to the department. Such remarks are always appreciated.

An hon. Member: We cannot hear the minister.

Mr. Mayhew: Mr. Chairman, I think I can make myself heard if there is not too much other noise in the chamber.

As I was saying, I want to thank the hon. member for Skeena for his kind remarks with regard to the department. Such remarks are always appreciated. I sometimes think that our civil servants and officials, not only in this department but in others, do not get the encouragement they should. When you are in ordinary business, there are many ways of measuring the success or failure of your business. It can be done by noting the

sales of your product, your production in the factories or by your balance sheet. But in government operation we have many valuable servants, and there is little way in which you can measure their success unless it be by the occasional compliments which are paid to them. It is not often these compliments come to them. If business is good in the country generally, the industry itself takes credit for that situation, and the ministers will take the balance of the credit. But in many cases the credit is due to those behind the scenes. I felt that this should be on record as far as my department is concerned.

The hon. member for Skeena first raised the question about sales and excise tax on fishing gear used in commercial fishing. I have been looking into that matter. In the immediate post-war years it was the policy of the government to encourage production as much as possible by removing the sales tax, the excise tax and duty, as was done with regard to agricultural implements and in many other fields of production. At the same time they removed these duties and taxes on many commodities for fishermen as well. I have here a fairly lengthy list of articles on which these taxes have been removed. If I have the consent of the house I will place this list on *Hansard* without taking the time to read it. I might also say that the secretary-manager of the fisheries council of Canada, in co-operation with members of our own economics branch is giving further study to this matter, to see whether there are any other items in addition to those on this list on which these same taxes might be removed. I think that probably answers the first question.

ARTICLES USED BY COMMERCIAL FISHERMEN WHICH ARE NOT DUTIABLE UNDER THE BRITISH PREFERENTIAL OR M.F.N. TARIFF AND WHICH ARE EXEMPT FROM SALES TAX

Tariff item	—	British preferential tariff	Most-favoured-nation tariff	Exempt from sales tax
40	Salt for the use of the sea or gulf fisheries	Free	Free	Yes
440d	Anchors for vessels	Free	Free	Yes
440e	Wire rope for use exclusively for rigging of ships and vessels, under regulations prescribed by the minister	Free	Free	Yes
440f	Iron or steel masts, or parts thereof; iron or steel angles, beams, knees, plates and sheets; cable chain; all the foregoing for ships and vessels, under regulations prescribed by the minister	Free	Free	Yes
440g	(1) Manufactures of iron, brass or other metal, of a class or kind not made in Canada, for use exclusively in the construction or equipment of ships or vessels, under regulations prescribed by the minister	Free	Free	Yes
440h	Chronometers and compasses, and parts thereof, including cards therefor, of a class or kind not made in Canada, for ships or aircraft	Free	Free	Yes
440k	(1) Engines and complete parts thereof, n.o.p., to be used exclusively in the propulsion of boats or in hoisting nets and lines used in such boats bona fide owned by individual fishermen for their own use in the fisheries, under such regulations as the minister may prescribe	Free	12½ p.c. (Exception)	Yes
	(2) Diesel engines and complete parts thereof, to be used exclusively in the propulsion of boats or in hoisting nets and lines used in such boats for use exclusively in bona fide commercial fishing operations, under such regulations as the minister may prescribe	Free	Free	Yes

ARTICLES USED BY COMMERCIAL FISHERMEN WHICH ARE NOT DUTIABLE UNDER THE BRITISH PREFERENTIAL OR M.F.N. TARIFF AND WHICH ARE EXEMPT FROM SALES TAX—
Concluded

Tariff item	——	British preferential tariff	Most-favoured-nation tariff	Exempt from sales tax
682	Fish hooks, for deep-sea or lake fishing, not smaller in size than number 2.0; fishing nets and nettings of all kinds; threads, twines, marlines, fishing lines, rope and cordage of cotton, hemp, manila or other vegetable fibre, not exceeding one and one-half inches in circumference, to be used for fishing purposes or for the construction or repair of fishing nets; the foregoing not to include such articles used for sportsmen's purposes, and to be subject to such regulations as the minister may prescribe.....	Free	Free	Yes
682a	Net floats of any material except wood, for use exclusively in commercial fishing.....	Free	Free	Yes

(1) Not including wire rope used in fishing gear, e.g. trawl warps.

Memorandum

Re: Representations of Fisheries Council of Canada
Customs duties and sales tax

Prior to the last budget the council made representations to the Department of Finance, which were supported by this department, that changes should be made in the customs and sales tax procedure with respect to the following items:

Tariff item No. 401b—Wire rope and cable—dutiable at 15 per cent B.P. and 25 per cent M.F.N.

Tariff item No. 440k—Gas engines—The rate allowed under this item is available only to bona fide fishermen, which does not include engines financed for fishermen or engines bought by companies.

Tariff item No. 682(1)—Rope over 1½ inches in circumference which is currently dutiable.

In his second question he referred to the Babine slide. The Babine lake is the principal spawning area for the salmon that go up the Skeena river and from the Skeena river and the Babine river into Babine lake. Just close to the confluence of the Babine river and Skeena river there was early last spring a substantial slide blocking the river. This slide was some 200 miles or more away from the mouth of the Skeena river. There were no roads, and no means of getting in there. The first intimation we had that the salmon were not getting up the river was the fact that bruised and damaged fish were returning to salt water. This was immediately investigated, and the slide was discovered. There were some 70 odd miles of primary road to build before we could get any equipment into where the slide occurred, and the construction of this road was undertaken immediately. The road has been completed and it now extends within a few hundred yards of the slide itself.

Engineers from our own department, as well as from the international Pacific salmon fisheries commission, have been in that area and examined the results of the slide, and in a few weeks they will be able to give a better idea of the work necessary to repair the damage. They are also preparing to lift the salmon from the river over the slide and allow them to go free to the spawning grounds in Babine lake. I am happy that this work is progressing satisfactorily, and a great deal of credit should go to the group of engineers and men who have been looking after this work in a very difficult area. It is hilly, with heavy bush and deep snow; but nevertheless the work did not stop during the winter and has continued up to the present time.

The hon. member for Skeena also asked a question with respect to the conservation methods that we are adopting in regard to flatfish. Regulations are now being formulated to give the chief supervisor of fisheries power to close fishing in Skidegate inlet when such is deemed necessary for conservation, and particularly during spawning season. With regard to conservation of flatfish generally, the fisheries research board has been carrying on investigations for a number of years past and in its estimates this year there is an amount of $81,500 for continuance of the work.

Then the hon. member referred to tuna in his fourth point. For two years we carried on the work of prospecting for tuna in an effort to find where the tuna were, the best method of catching them and what type of lure would be most suitable. This proved of very great benefit to the fishermen, but we

now feel that it is not necessary to carry on that work because the fishermen themselves know the approximate time of the runs and the lure necessary to catch the fish. In addition to that, the fish and wildlife service of the United States have their boat there, and from them we get information. We in turn give this information by radio and any other means possible to our own fishermen. Since we are short of boats, we believe that what boats we have can be put to better uses in other places, and we think that for the present at least we should not continue this tuna patrol. I think I have dealt with all the remarks of the hon. member for Skeena.

The hon. member for St. John's West thought I should have made a statement at the opening of the discussion on the estimates rather than wait to the end. From experience I believe that everyone can get more information, and certainly the department can, by reserving for private members as much of the time allocated for fisheries estimates as is possible. After all, the estimates for the department are brought before parliament, and I regard this as an opportunity for hon. members to ask questions, to criticize or to make complaints. I feel that in that way both the members and the department would be served best. However, I do think that at this time I should take a moment or two to say something about the general trend, particularly of prices and of the catch in Canada.

So far as Newfoundland is concerned, they have no carry-over of salted fish from last year. The world supply of salted fish is, if anything, less than it was in former years. In addition to that, the price is holding pretty firm and we think it will continue to hold firm. However, no one can guarantee that it will. It will depend to some extent on the general food prices in Canada; if they remain firm or if they go down or up, they will be sure to influence somewhat the price paid for salted fish as well as for other fish.

So far as filleting is concerned, there has been quite an expansion of the filleting industry in Newfoundland, and this helps to diversify the fishing industry of that province, I think to their advantage. I might say that the first year in which Canada exceeded the 100 million dollar mark in fish was in 1945. This last year the catch has gone slightly over 2 billion pounds. Of that amount Newfoundland caught last year some 621 million pounds. The second province in Canada in amount was British Columbia with some 600 million pounds. Newfoundland has added considerably to the status of Canada so far as the fishing industry is concerned.

So far as general price in the maritimes is concerned, that is also holding up very well, as is the price for the inland fisheries. In British Columbia there is a slightly different situation. Last year was among the all-time highs, with a pack of slightly over 2 million cases of canned salmon. That, with the temporary suspension of sales to Europe, means there is a carry-over. But a carry-over is not unusual in the salmon canning industry. They are accustomed to large packs, which sometimes increase for a matter of two or three years; and then the surpluses have later been moved out. In all probability the same will happen again, although we must admit that at the present time there is some difficulty, particularly in connection with the smaller concerns that are not well financed. But that situation is being watched very carefully to see if the department can be of any help.

Generally speaking, one must be reasonably well satisfied with the progress of the industry. It is not contracting; it is an expanding industry, as it should be, in Canada.

Mr. Pearkes: Could the minister say the extent of the carry-over on the Pacific coast?

Mr. Mayhew: No. I do not know what the extent of the carry-over is. I do not think it would be in the best interests of all to publish it, if I did know; and I think the hon. member will understand why.

Then, the hon. member for St. John's West asked about the fisheries prices support board, and the program of deficiency payments made on the 1950 production of salted cod. The hon. member suggested that we should have made different payments, depending upon the actual prices received by the individual fishermen.

I explained before in this house that to have done so would have destroyed the market relationship between different qualities and between different localities. In my opinion, the kind of price support the hon. member is advocating would remove the price incentive to produce better quality, and, until we have better quality, there is little hope of our solving the problem. May I say here that I think the speediest way we can get greater return to the fishermen of Newfoundland, as in other places, is to try to get more out of the volume we have taken. In other words, the solution is to have premium fish; and premium fish for Newfoundland in my opinion is highly desirable, because Newfoundland has to overcome the disadvantage of distance from the main

markets. They can overcome that disadvantage by premium quality. To that end not only the industry, but the department as well, is working.

The hon. member also suggested that we should make special payments to those who had a low catch. Low catches are due to many factors. The fish may not be there; the weather may be bad; the method of fishing may be inefficient and, in some cases, one fisherman may not work as hard as his neighbour. To undertake to meet every case of low income through subsidy would destroy all incentive for the fisherman to do his best, and would result in no progress toward the use of more efficient methods.

The hon. member also referred to the drift of fishermen away from the salted fish industry. In a few years he will probably be complaining about the drift back into the fisheries. It is only natural that at some periods one industry is going to be more attractive than another. During the present period, when the fishery is adjusting itself to new conditions, which is bound to take time if it is to be done right, it may well be in the best interests of all concerned if some of the fishermen can find employment elsewhere.

And may I say on that point that I believe this is in accordance with the policy of the Newfoundland government, which is doing everything it can to bring new industries into that province, so that the people there will not be solely dependent upon the fisheries for their welfare.

But there is nothing new in this. Let my hon. friend look at the wartime figures and he will find a decline much greater than that of today; but he will also find that the number increased just as quickly after the war was over.

The hon. member had something to say about the Canadian Fisherman's Loan Act and the small number of loans being made. He neglected to point out that in fisheries, unlike agriculture, there are provincial fishermen's loan boards in all the eastern provinces. He also neglected to point out that, rather than make repayable loans to fishermen to help them get better boats, the federal government is providing outright grants. No such grants are made to farmers.

Although I believe most hon. members are aware of this fact, perhaps I should explain that we do give subsidies to groups of fishermen who want to build draggers, and boats of that nature. This assistance is given to the extent of $165 a ton. In addition, the loan boards of the various provinces do make repayable loans.

The hon. member referred to a question on the order paper which had reference to long-lining experiments. In his speech last Friday evening he stated that he had asked for the value of the catch. As will be seen at page 585 of *Hansard*, he asked for the cost since the commencement of long-liner experiments in Newfoundland cod fishing, and the revenue received from that operation. This information was given.

In 1950 the operation was on an experimental basis, and the charters contemplated the value of the fish taken would accrue to the government. In 1951 the operation was planned to provide information based upon fishing to produce maximum quantities from known areas. The boat *O Johnny O* operating from June 9 to December 15 caught 398,313 pounds of fish. Gross stock from sale of this fish was $9,599. After providing a boat's share of 20 per cent and expenses of $2,156 there was a share of $1,842 for each of the crew of three men. I might add that they were fishing approximately six months, and the amount received made an average of over $300 a month for the members of the crew.

Captain Hemeon commenced operating with the *Miss Osborne*. It unfortunately was lost in early August. He continued with the *East Wind* for a short time and latterly the *Edward Humby*. He produced 391,000 pounds of marketable cod. Gross stock sales were $10,129. After providing boat shares and operating expenses, four men shared $1,522 each.

If the *Miss Osborne* had continued throughout the season and there was no lost time it is estimated 500,000 pounds of fish would have been taken with an estimated share per man of $1,822.

Detailed comparisons have been worked out as to operations by these two boats and a selected number of the better boats at Bonavista. After taking all aspects of operation into consideration the crew shares of the long-lining boats were about double those of the local boats operating traps, line trawls and hand lines.

While under existing conditions funds for bait depot construction are necessarily restricted, the department continues to give consideration to the establishing of bait service facilities, but depending on measurement of need.

With regard to the specific instances cited by the hon. member; in the first, the North Harbour area comprising North Harbour, St. Joseph's, New Bridge, Mount Carmel and Tickles, fish production is small. The distances between each of these villages and North Harbour is considerable, and our information is that it is not likely that if a depot

were established at North Harbour fishermen from the other villages would patronize it.

With reference to the request for a depot at Colinet island, while there is greater fishing effort there, the fact is that the existing depot at St. Mary's is only eight miles distant and surely some arrangement could be worked out among the fishermen to obtain and transport bait from this plant. It is a fact that Colinet island fishermen have been using the St. Mary's depot.

In all of the above settlements a total of about 130 fishermen operated in 1951, the production of salted codfish by trawls being less than 4,000 quintals. Following due consideration it is the view of the department that even if bait storage facilities were provided at these places the production of fish would not be materially increased.

The hon. member referred to the Newfoundland fisheries development committee, stating that it had been working for the past two years and asking whether I could report on what has been done and whether or not an interim report had been presented by the committee. In the first place I should point out that this committee was set up early in 1951 and therefore has been working for only a little over one year. During this period the committee has brought together a great deal of information from many sources on all aspects of the Newfoundland fisheries. The committee has indicated to me that it expects to have its report completed in the fall of this year. The report, when completed, should provide a road map for the future development of the fisheries of Newfoundland.

With respect to an interim report, the committee did make certain proposals for additional exploratory and technical research work during the present summer. This government, as well as the government of Newfoundland, has agreed to carry out much of this research in order to facilitate the work of the committee.

The hon. member pointed out that he had noticed that new hatcheries were being built in the maritime provinces during 1951 and wondered if we had given consideration to such establishments for Newfoundland to plant lake trout and Atlantic salmon. I should like to make the following comments.

(a) No new hatcheries were built in the maritimes during 1951.

(b) Under our agreement with the province of Newfoundland, the province is responsible for freshwater fish. The question of hatcheries for lake trout would thus be for its consideration.

[Mr. Mayhew.]

(c) We have had before us representation for salmon hatcheries in Newfoundland. From our knowledge of the present condition of the salmon populations and as a result of the experience gained elsewhere, we are not convinced that hatcheries will be of great benefit. It is our feeling that improvement of access to available spawning grounds, such as is contemplated by the fishways now under construction on the Terra Nova and Humber rivers, will be more productive.

I think I have answered all the questions put forward by the two previous speakers.

Mr. Carter: Mr. Chairman, as most of my constituents are fishermen, I should like to avail myself of this opportunity to express our sincere thanks to the Minister of Fisheries for the great personal interest he has taken in the problems of Newfoundland fishermen, and to the federal government as a whole for the various forms of assistance provided such as bounties for fishing boats, experimental research and particularly for the deficiency payments on dry shore-cured, salt cod, without which many fishermen would not have been able to meet the cost of production. I feel also that I would be failing in my duty to my constituents if I did not seize this opportunity to lay before this committee the situation that has arisen in my riding owing to the presence of foreign draggers on those fishing grounds upon which shore fishermen depend for their livelihood.

In order to see the picture in its true perspective hon. members must understand that there are in my riding about 45,000 people of whom at least 80 per cent are either directly engaged in the fishing industry or indirectly dependent upon it. Owing to the decline in the bank fisheries and the use of draggers by companies operating fresh fish filleting plants, the majority of those directly engaged in the fishing industry are inshore fishermen.

These inshore fishermen put out from their harbours in the early morning and return in the evening of the same day with their catch. They use a variety of small boats from a 20-foot open boat powered with a 5-horsepower engine and a 2-man crew to a 50-foot decked boat with a 2-dory crew. These boats are not equipped to go long distances offshore and consequently are absolutely dependent upon the inshore fishing grounds for their livelihood.

Unfortunately the largest and best of these inshore fishing grounds lie from five to fifteen miles off shore, well outside the three-mile limit of territorial waters. The grounds themselves average from two to six miles in width and from five to twenty miles in length. The

inshore fishermen have had the exclusive use of these fishing grounds for nearly fifty years and the whole economy of the inshore fisheries and the communities dependent upon them has been based upon the supposition that these fishing grounds would always be available.

I have gone into all these details for three reasons. First, to show that the presence of draggers denies the use of these grounds to the inshore fishermen. Second, to show that the draggers actually destroy the fishing grounds. This destruction is such that it may take years or even generations before nature can repair the damage. Third, to call attention to the waste inherent in dragger operations generally.

In order to fully appreciate these three points hon. members must understand that inshore fishermen fish with trawls. A trawl is a line from one to five miles long from which at intervals of approximately three feet hooks are suspended on short lines about eighteen inches long. These trawls are set in various directions to cover different depths of water, depending always upon the direction of the wind and of the ocean currents. Trawls are expensive. When draggers are operating nearby, the inshore fisherman dare not risk setting his trawl for fear it will be destroyed by the dragger, in which case a large capital investment would be lost which he would not be able to replace.

On the other hand, the dragger drags over the ocean bottom a large bag-shaped net with a wide open mouth. As it moves over the bottom it tears up everything in its path. It overturns boulders, tears away marine algae and other forms of marine plant and animal life which consolidate the ocean floor and provide breeding and feeding conditions for the various forms of marine life which are essential conditions for a good fishing ground. After being dragged along the bottom for an hour or two the huge net is hoisted to the surface. In it are fish of all varieties and sizes. Much of this fish is already dead—killed by the terrific pressure of being hoisted through the water and the weight of fish one upon the other. The non-commercial varieties are thrown back into the sea. The dead fish sink to the bottom and decay. Many of the commercial varieties are too small to have commercial value. These too are usually dead and are thrown overboard along with the others. The commercial fish are cut and the entrails are thrown overboard to sink to the bottom and add to the pollution.

In my own mind I have always regarded a fishing ground as a sort of marine oasis, a place where the temperatures of the water are suitable and congenial to the fish so that they regard it as a pleasant surrounding where they like to come and linger. Picture a fishing ground twenty miles long and five miles wide. Picture a dragger towing its huge net over the ocean bottom, tearing up the loose stones, destroying the plant life and upsetting the balance of nature. Picture the pollution from the decay of thousands of dead fish and fish offal and hon. members will understand that a fishing ground which has well served hundreds of fishermen for hundreds of years, and is capable of serving them well for hundreds of years to come, can be destroyed overnight by the operation of a single dragger and rendered unusable for a whole generation.

Hon. members will understand from what I have said that the dragger method of fishing is not only very destructive but also very wasteful since so many young commercial fish are killed before they have grown to a commercial size and are thrown back into the sea. In my opinion, this waste is sufficiently serious to warrant study by an international commission in the interest of conservation. It may be a long time before the effects of this waste become apparent in vast submarine areas like the Grand Banks, but in my opinion dragger operations on the smaller grounds should be regulated by international agreement, and should be prohibited altogether within thirty miles from shore to protect those inshore fishing grounds upon which the economy of the shore fishery depends.

Our provincial government and the federal government are collaborating with a view to reorganizing the Newfoundland industry so that the fishermen may derive greater benefit from these inshore fishing grounds. There seems little point in encouraging investment in this phase of the industry if the fishing grounds upon which it depends can be destroyed overnight by draggers.

It was foreseen that this menace might develop from the local draggers' operations but nobody ever dreamed that foreign draggers would be involved. However, the unexpected happened and hon. members will recall that last March it was reported to this house that a number of French, Spanish and Portuguese draggers were carrying out operations on inshore fishing grounds in the Rose Blanche area upon which the fishermen there have been dependent for generations. The results were as I have already described.

From the legal standpoint they were perfectly within their rights as long as they kept outside the three-mile limit, and some of them were equipped with radar which enabled them to skim along the edge of the three-mile limit.

Morally it was a resort to the law of the jungle as a result of which many Newfoundland fishermen with their wives and children will have to go cold, ill-clad and ill-fed during the coming winter. At best it was a thoughtless and selfish act towards a people who had always regarded them as friends, who shared with them the common dangers of wresting a livelihood from the sea, and who had always subscribed to the philosophy of live and let live. At its worst it could be described as an unfriendly act of economic aggression towards a friendly nation that has sacrificed many lives to set Europe free from aggression and has made many substantial contributions of money and materials to aid European recovery.

We must impress upon these foreign governments that Newfoundland is now a part of Canada; that Newfoundlanders are citizens of Canada and that they have every right to expect Canada to protect their interests and to defend them from every form of aggression whether military or economic.

It is quite evident that this problem has international complications, but France and Portugal are partners with Canada in the United Nations and also in NATO. Surely if that partnership is founded on the slightest bit of good will it should be possible to come to some kind of mutual agreement that will prohibit all draggers both local and foreign from operating on those traditional inshore fishing grounds upon which generations of Newfoundlanders have depended in the past and upon which they must depend in the future.

I know that the minister and his colleagues are fully aware of the problem. I trust that before long it will be possible for him to announce that a satisfactory solution has been found and that some sort of agreement has been reached which will safeguard the interests of Newfoundland fishermen.

(Translation):

Mr. Robichaud: Mr. Chairman, I hope that I will not be thought too presumptuous for rising so soon after having been officially presented to this house. But I do wish to make a short plea in favour of the fishermen of the county of Gloucester. During the campaign preceding the by-election of May 26 last, I offered the electors of my native county to be their spokesman on the floor of this house. They were so kind as to give me this mandate. Today an opportunity, which I would not like to let pass, is offered me to bring to the attention of the Minister of Fisheries (Mr. Mayhew) and of the house, in very cursory fashion I must admit, the case of the Gloucester county fishermen.

Fishing is definitely one of our most important industries. Our ancestors, the old Acadians, descended from those Bretons and Normans from Old France who settled on the coasts of the bay of Chaleur or of the gulf of St. Lawrence after the dispersion, were led to take up fishing, as much from tradition as from necessity. One of our fine folksongs is aptly dedicated to the "Acadian fisherman". Myself a descendant of Acadian forefathers and fishermen, since my forebears, my grandfather and my uncles on my father's side were all fishermen, I cannot resist the temptation of placing on the official record of this house the first stanza of this song, of this ode dedicated to the valour and bravery of the Acadian fishermen of our country.

> The sea is my domain;
> A son of Brittany, I,
> To my beloved ocean,
> Do dedicate this strain.

I deem it an honour and a privilege, if not a duty, to utter my first message in this house in the beautiful language of my ancestors, on behalf of the fishermen of my county.

I believe I may state, without fear of contradiction, that it is a long time since the matter of fisheries, in so far as my native county of Gloucester is concerned, has been brought before the house and full consideration has been given to their importance in our economy, to the needs of our fishermen and, more especially, to the remedial action the Department of Fisheries could so effectively and so easily take.

The county of Gloucester is bounded on the north by Chaleur bay and on the east by the gulf of St. Lawrence. Its coast line, including Shippegan and Miscou islands, covers more than 150 miles.

Such nice coastal villages as Green Point, Petit Rocher, Beresford, Salmon Beach, Stonehaven, Grande Anse and Maisonnette, by the clear and blue waters of Chaleur bay, are important fishing and canning centres for lobster, the famous bay salmon, cod, herring and mackerel.

Between Maisonnette and the villages of Upper Caraquet, in Caraquet bay, there is fishing as well as breeding of the famous Caraquet oysters, which, for a few years now, have had the competition of the not so well-known but just as delicious oysters from the oyster farms of Shippegan and the sur-

rounding area. Every Monday, the fleet of modern draggers sets out to sea from Caraquet and the whole area of Lower Caraquet as well as from St. Simon and the villages of Lameque and Shippegan for what is known in Acadian language as the "great cod fishing" on the fishing banks of the gulf of St. Lawrence.

Miscou and Shippegan islands do hold, of course, strategic positions as far as fishing is concerned and if the villages of Petite Riviere de l'Ile and Ste. Marie sur Mer were to be given the grants required for the development of their respective harbours, our coastal fishing would expand in such a way as to benefit the whole northern area of Gloucester county.

Similarly I hold that the dredging and the building of harbour facilities at Tracadie—a very important problem which I shall take up again in due course—is necessary if we want to get the maximum yield from our fisheries in the northern part of New Brunswick.

Having given this very cursory and incomplete picture of our maritime position and of the importance of the fishing industry in our part of the country, I now come to the suggestion which I would like to offer to the Minister of Fisheries and which is related to the estimates that are being submitted for our approval.

I had not had a chance to glance at those estimates until the last week end. I find no provision whatever in the estimates for aid or assistance to fishermen, whose ships or fishing gear have been destroyed or damaged by storms. That is a very regrettable oversight indeed. Every year, federal grants and subsidies are meted out to western farmers and fruit growers; if I am not mistaken, last year help was extended to potato growers and again, quite recently, to the western cattle breeders. I have nothing against these grants, but my contention is that the fishermen in the maritimes have been much too long the forgotten children, the orphans, of the federal government.

When I have had enough time to consult the statistics and to gather facts and figures, I shall deem it my duty to reopen the question, in order to prepare a full-length speech in defence of our maritime fisheries.

In my opinion, fishermen are too important to our economic framework and they have to risk too much, assailed by wind and storms in the bay and the gulf, to be deprived of fair and adequate compensation for their losses. These losses are all too frequent. Thus, every winter, every fall, our smelt fishermen lose thousands of dollars when their seines are carried away by ice floes. Similarly, salmon, mackerel and herring fishermen suffer enormous losses each year when their nets are damaged or carried away by ocean currents.

On the day following the by-election of May 26, a storm swept the shores of Gloucester—it was perhaps the tail end of the election tide-race that had swept over Gloucester county the previous day—causing our lobster fishermen of Shippegan parish alone losses of between $15,000 and $18,000, according to information I have received from my people.

I therefore feel justified in asking the Minister of Fisheries to give immediate attention to the matter, with a view to setting up—and this is the important point—a system of federal aid to compensate our fishermen for the heavy losses they sustain through storms.

Since there is no hesitation in granting aid to farmers and stock breeders during epidemics, why not give assistance to the fishermen who are constantly victims of the worst plague there is—and I know something about it—storms at sea? I cherish the hope, therefore, that the Minister of Fisheries and his department will be kind enough to consider favourably these more or less scrappy remarks, this hastily prepared plea and that, in the near future, they will take the necessary steps to come to the rescue of our unfortunate fishermen, not only in my constituency of Gloucester, but in the maritimes and all of Canada.

(Text):

Mr. Speaker, it was only on the week end that I had my first opportunity to scan—rapidly, I must admit—the estimates of the Department of Fisheries. Representing as I do a constituency in which fisheries occupy such an important place in our economy I decided to rise today, at the risk of appearing to be somewhat presumptuous, so soon after my official introduction in the House of Commons, in order to present a strong plea—unprepared and incomplete though it may be—on behalf of those hardy toilers of the sea, the fishermen of my county and of the maritime provinces. In looking over the estimates of the Department of Fisheries I was amazed to find therein no provision whatsoever for aid or assistance to fishermen who have the misfortune to lose their boats or their gear or to have the same damaged as a result of storms or other whims of this most exacting mistress—the sea.

My submission to this committee is this. Since the federal government does not hesitate to subsidize the wheat growers, the potato growers, the apple growers or, as is now being done, the cattle breeders or ranchers, why has it never seen fit to give financial assistance to the fishermen who are too often the victims of this unpredictable and most uncontrollable epidemic, a storm at sea. I have definite information that in the province of Quebec, where fisheries are a provincial matter, in case of loss of gear or boats fishermen are being directly assisted by the provincial government. As soon as a loss is reported to the provincial department of fisheries in Quebec, an investigation is carried out; and upon a favourable report being submitted to the department by the provincial inspectors, satisfactory financial assistance is granted to the Quebec fishermen.

Unfortunately, Mr. Chairman, I have as yet been unable to prepare a real speech in support of federal aid to our fishermen, but I plan to do so at the first opportunity. However, I respectfully suggest to the Minister of Fisheries and to his department that immediate steps should be taken in order that the too-long-forgotten children—the orphans, may I say—of this federal government, namely the fishermen of my county, of the rest of the maritime provinces and of Canada, may soon be granted the same preferential treatment that has been so generously meted out by this government to the farmers and to the cattle breeders and ranchers. This, Mr. Chairman, is my submission to the minister and his department.

Mr. Stuart (Charlotte): At the outset, Mr. Chairman, I wish to congratulate the new member who has recently come into the house on the presentation he made here today. I noted this morning the statement made by the Minister of Fisheries. He suggested that his department has gone a long way in encouraging a greater production of fish. At this point may I say that a greater production is of little benefit if the prices paid to the fishermen are below the cost of production. That is the matter with which I wish to deal for some little time.

I have carefully scrutinized the estimates of the Department of Fisheries, inasmuch as I had been given to understand that officials of this department have stated that assistance to the fishing industry compares favourably with that which is provided for agriculture. I could at this time go into a long dissertation with regard to comparisons as between the two industries. I shall, however, refrain from doing so to any great extent, as the figures before us will speak for themselves.

The total vote for the fisheries department this year is nearly $10 million. If that figure is broken down it will be found that five-sixths of it or approximately $8,500,000 go to the employees of the department, leaving one-sixth, or $1,500,000 for other purposes connected with the industry; and five-sixths of this remainder, of $1,500,000, does not apply in any way to the province of New Brunswick. I refer to $700,000 for seal skins; $342,500 for bait service for Newfoundland; $240,000 for fisheries support board, Newfoundland, which leaves $160,000 for bounty payments for all the maritime provinces and $150,000 for the construction of draggers in all of the maritime provinces. With regard to the province of New Brunswick, my estimate would be that we would receive less than $100,000, including the bounty payments which cost the taxpayers of this country not one single penny.

In reply to a question which I placed on the order paper some time ago with regard to loans under the farm loan board and the fisheries loan board for the fiscal year ended March 31, 1952, I received the following reply on June 4 from the Minister of Finance: Under the farm loan board, $4,238,400; under fisheries, $800. In other words, for every single dollar fishermen were granted, agriculture was given $5,298. This may be considered to be a fair distribution by some people in this country but I am sure the great majority of Canadians would not look upon it in that light. Just at this point I should also like to put on the record some information which was given to the hon. member for Oxford a few days ago. This was the average amount of government subsidies for the fiscal year 1950-51. In the answer given you will find the following: Department of Agriculture, $120,455,000. Defence production; the only item that came under that department was assistance to the steel industry of about $1,500,000. Subsidies to the provinces averaged about $18,500,000. So far as fisheries is concerned, the total amount paid in 1950-51 was $127,000. The total subsidy paid under the Emergency Gold Mining Assistance Act to the Canadian gold mines, however, is near $9 million. I might also add to the ones that I have given the subsidies of the Department of Transport as follows: Maritime Freight Rates Act, $8,474,577. The total grant from that department was $8,768,000. The Canadian maritime commission amounted to $14 million. I could go on with many more. These are on the record, however. I believe that when they are compared with the financial assistance given to the fishing industry we will all be

convinced that the fishing industry in this country today is a forgotten industry.

There are many examples I could give to the committee, but as I said previously, I shall refrain from doing that at this time, as I wish to discuss a problem which is of great importance to the whole economy of the county I have the honour to represent. I refer to the sardine industry, although many other branches of the fishing industry would come within the same category, and they might be described as the depressed industries, particularly our sardine industry and our fishermen who are engaged in the catching of ground fish.

During this session we have heard many suggestions with regard to some type of insurance to protect all types of fishing equipment. Before I get too far away from my main subject, I should like to suggest a way in which an insurance plan might be established, which would give the fishermen some protection, and at the same time the fishermen themselves would be contributing. In no way would this place any financial burden on the taxpayers of this country. I refer to the $160,000 which is paid in bounties and distributed among thousands of fishermen each year in payments ranging from $5 to $10, regulated of course by the number eligible for payment and by the number of applications received. This bounty is of little assistance to the industry, and although I am not familiar with insurance rates I am convinced that $160,000 would pay the premium on an enormous amount of insurance and give those fishermen a protection which is considered very necessary in other industries but has never applied to the great part of the fisherman's property used in his hazardous calling.

It might be necessary for the government to supplement this payment by some amount, but I suggest it to the department for their consideration, and also to get the reaction from the fishermen themselves. I believe it would be a move in the right direction, and would be endorsed by the majority of the fishermen in the maritime provinces.

I should now like to turn to my main subject which is, as I said, sardines. In doing so I wish to emphasize the importance of this industry to southern New Brunswick. During the past few months the press of the province of New Brunswick has been giving its readers some useful data in connection with our clam industry. They have gone all-out in expressing their anxiety regarding the depletion of our clam flats. We who live in that area are fully aware of the fact that clams are becoming less plentiful, and we all understand why this condition has been brought about. During the past six or seven years, for the first time in history, those engaged in this industry have been receiving a fair price for their product. For years clams sold for prices ranging from 80 cents a barrel to $2. However, the price has advanced during these last five or six years to $8, $10 and sometimes to $12 a barrel. These prices induced a greater number to go into the industry. The demand has been really good and the prices are very encouraging.

So far as the depletion of the beds is concerned, we who have been very close to the industry—and by "very close" I mean on a frozen beach with a hoe producing clams —feel that the Department of Fisheries has the right approach to this problem. They plan closing certain areas at different periods. If this is done, our supply of clams will gradually increase, as they grow very rapidly and any danger of depletion, in my opinion, is something we should not be too worried about.

Mr. McLure: The hon. member is now speaking about soft-shell clams or hard-shell clams?

Mr. Stuart (Charlotte): Hard shell. We all agree that the industry is of great importance, and I would not in any way want to leave the impression that I do not realize that myself.

While this problem was being given substantial publicity in the press I had expected that the sardine industry would certainly be mentioned. Although this industry is of the greatest importance to our province it was apparently taken for granted that all was well, even though the sardine fishermen themselves had been greatly disturbed.

At this point I wish to explain some of the problems these fishermen have had to contend with and briefly describe the particular period within my memory which dates back about forty years. I wish to emphasize the lack of any control whatsoever over this industry by the producers themselves. In some cases, tons of sardines are taken to canneries for samples. The entire lot may be condemned by inspectors. Then the fishermen are paid whatever the canners feel that they wish to pay them. There is no regulation to govern that. I often stop to consider how the canners themselves would regard an arrangement of this character: for example, if they sold 10,000 cases of sardines and were paid for 5,000, or if they bargained for $8 a case for the finished product and after delivering the product were paid only $4. These organizations, however, are protected against any such incident. Is it not reasonable to expect that those who produce the raw materials which are so essential to

the canners should demand the same protection and security? This security and protection which some enjoy, however, has never applied to these primary producers, except in wartime, and then it was applied to protect the canner himself. My first recollection of any type of agreement regarding an established price to be paid for sardines goes back to a period before the first great war. At that time representatives of the sardine fishermen met with the canners during the winter months, which would be previous to the building of their weirs. A price for the coming season was agreed upon, and in many instances individual fishermen would sign a contract with a particular canner for the entire catch of that season. These contracts were entered into in good faith, and in most cases were strictly adhered to.

I point this out to show that forty years ago this industry was much more stable than it is at the present time. We have been going backward rather than advancing, and before I finish I hope to be able to prove that statement to be correct.

I now come to the period of the first great war. This system that I have described continued until 1916, as the year 1915 was the last year I remember when an established price was arranged between the fishermen and the canners. I well remember the price for that year was $15 for the spring season and $10 a hogshead for the summer and fall season. The year 1917 was a year of scarcity. Sardines sold as high as $90 a hogshead in the spring, but before the year was out the price had dropped back to $10 a hogshead. Perhaps 2 per cent of our fishermen received the benefit of the high prices and the other 98 per cent paid it back to the canners before the season was over.

In 1918, the year after this experience, by some international governmental arrangement a price of $25 a hogshead was established; this price held for the season ended November 30 of that year. As the canning period at that time was controlled in the United States—and it is at the present time—the period in which they could operate was from April 15 to November 30. The first year after the war, however—1919—prices again dropped to $5 and $10 a hogshead. Fishermen's unions were formed in an endeavour to cope with the situation, but their efforts were in vain. We drifted along until 1923, taking whatever was offered.

In 1923, another year of scarcity, the prices of sardines climbed in the latter part of the season to $50 and $60 a hogshead. Less than 5 per cent of those engaged in the industry received any benefit from the high price.

And the following year, 1924, those who did not benefit from the high prices in 1923 were held responsible and before that season was completed the $5 and $10 prices prevailed.

In the year 1925, through the efforts of the late P. J. Veniot, the then premier of the province of New Brunswick, a floor price of $10 a hogshead was put into effect. The canners resented government interference, and immediately decided to destroy this protection, not that the price of $10 per hogshead was excessive or unreasonable, but purely as a matter of principle.

I will now explain the methods they employed and how successfully it worked to the canners' advantage. The year 1925, when this arrangement went into effect, happened to be a year of plentiful supply. The canner would send his boats or carriers day after day to the same fishermen, ignoring those in the area around him. It created dissension among the fishermen. A fisherman would feel, "Well, if John Jones can sell his fish, there is something wrong; I am going to sell my fish." They broke up that arrangement inside of six weeks from the time it was established. After this episode we continued to drift with the tide. There was no organization. Fishermen were completely at the mercy of the canners.

Conditions were fair until the thirties. During this period of time sardines were sold in the county of Charlotte for as little as one-tenth of a cent per pound.

Mr. Brooks: May I ask to what concern in the county of Charlotte those fish were sold? The hon. member spoke about fish being sold in Charlotte county. To what cannery or to what concern were they sold?

Mr. Stuart (Charlotte): To Connors Brothers and American canneries.

Mr. Brooks: What is the largest concern there?

Mr. Stuart (Charlotte): There is one large cannery, Connors Brothers, in Charlotte county.

Mr. Brooks: That is the chief market there?

Mr. Stuart (Charlotte): No; I must give Connors Brothers credit. They have paid higher prices at all times than the American canners paid. But the prices have been down—away down.

Mr. Robichaud: What about McLean's?

Mr. Stuart (Charlotte): That is Connors—the same thing.

Toward the end of the thirties conditions continued to be only fair; and after the outbreak of the second world war a ceiling price of $15 per hogshead was again established. This price was not established to protect the

fishermen, but was established to protect the canners. It was a ceiling price and, as I say, it was to protect the canners.

This was not considered to be too generous a price, but it did stabilize the industry; and while this price was maintained we enjoyed a period of moderate prosperity. After the abolition of the $15 price, which was too low when the subsidy payments had been removed from netting and other fishing equipment, we carried on normally until the past three years. Again we find we have a depressed industry, with very limited markets and abnormally low prices. In fact, the prices are far below the cost of production. There are sardines being sold today in Charlotte country for one third of a cent per pound. And no fisherman can produce fish under present-day conditions at that price.

Mr. Brooks: So that the price paid in Charlotte county today is a higher price than paid in the Maine canning industry?

Mr. Stuart (Charlotte): Yes, the price being paid by Canadian canners is higher than the price paid by American canners. A few cases have been reported where fertilizer prices were paid. This was in 1950, two years ago. The carrier would take them to the cannery instead and find a market for them in the cannery, putting the difference between the fertilizer price and the cannery price in his own pocket. I am not insinuating that this was any fault on the part of the canner. This was just the work of a selfish employee of the cannery who was out to make what he could for himself.

In 1951 scarcity again was responsible for a fair price being paid to the fishermen; and during the latter part of last year, and during this past winter, weir fishermen and purse seiners were paid $20 per hogshead. This price encouraged the weir fishermen to build weirs again, many of them going in debt for the necessary materials. Before they were completed the price dropped from $20 to $6 or $7.

I believe that during the past winter, when the American canneries were obliged to close, sardines were being canned for them in Canada. This had not happened before in my lifetime. It indicated that their 1951 pack had been sold, and that we might expect a good demand and a fair price in 1952.

Those are the actual facts which led the fishermen to believe that they were comparatively safe in preparing for this season. In many cases this preparation was very costly and entailed an enormous amount of labour. Owing to the quality of the sardines being produced at the present time, the canners have complete control regarding the quantities they wish to pay for, and the amount to be paid per hogshead. The price being paid at the present time would be about one third the prices paid last year, or would compare with those paid in 1950.

At this point I should like to quote from an editorial which appeared recently in the *Maine Coast Fisherman* which, in my opinion, is one of the best fisheries magazines published. This article describes conditions in the Maine sardine industry, which compares favourably with our own industry in southern New Brunswick. This is the June issue, and states:

> The following editorial which appeared in the *Maine Coast Fisherman*, June number, is republished as a matter of interest to local fishermen who sell their product in Maine:
>
> We occasionally hear fishermen grumbling that they have been short-changed for herring which they have sold to a packing plant. As most seiners and weirmen know there is a law on the books supposedly designed to protect the fishermen when selling herring. It reads in part:
>
> "Any person, firm or corporation purchasing herring from a fisherman or his agent shall either pay cash to said fisherman or his agent at the time of the purchase or shall furnish to said fisherman or his agent a written acknowledgment of purchase, containing all information necessary to complete understanding of the transaction, including the price and quantity and providing for payment not later than 7 days after receipt of said herring, and all payments shall be made in money or in money equivalent . . ."
>
> We have checked with the Sea and Shore Fisheries Department about enforcement of this law. It is the department's responsibility. They report that only one fisherman has ever complained to them. When informed that he would have to swear out a complaint against the packer the case was dropped.
>
> As the law stands now it is practically impossible to enforce. There are not enough wardens to supervise every transaction. If a fisherman feels he has not been paid for the full amount of herring that he saw go into the carrier, he must have a warrant sworn out against the packer.

And this is the part I wish to emphasize:

> Just as soon as he does that, he promptly loses the market for his fish. As the law now stands it is useless to the fishermen.

The minute he forces the packer to pay for the amount he puts aboard his carrier, the packer puts him on the black list and he is not able to sell his product at all.

Mr. Brooks: I understand the hon. member has been reading from a publication in the state of Maine, and he says that conditions in New Brunswick are similar to those described in that article. Is that the condition in Charlotte county, New Brunswick?

Mr. Stuart (Charlotte): So far as paying for sardines is concerned.

Mr. Brooks: So far as controlling the packers, controlling the industry, controlling the payments to the fishermen and giving them short weight is concerned, those conditions obtain as well in New Brunswick?

Mr. Stuart (Charlotte): As I have said, we are able to get a better price from Canadian canners than we can from United States canners.

Mr. Brooks: I understood the hon. member to say that conditions are the same.

Mr. Stuart (Charlotte): The same condition would apply in Charlotte county. The editorial continues:

> We think the fishermen will be wise to see to it at the next session of the Maine legislature that this law is repealed. If another law is to be passed in its place it should be set up so that the sea and shore fisheries warden is the complainant just as he is in any short lobster case. This would make spot checking of herring transactions by the wardens somewhat more workable than it is under the present law.

From this editorial one gets a good idea of the complete control by the canner. If the fisherman, the producer, complains or insists on being paid for what he produces he is blacklisted by the canner and the market for his catch automatically ceases.

I should like to point out that as far as agreements are concerned the canners have never been able to agree among themselves. In the past they have had international agreements as to price, but when sardines were in short supply and the demand for the finished products above the average, deceptive methods were employed to break their own agreements. First one and then another canner would suggest to an individual fisherman that he would take short measure if he was given the catch. Or, when the situation was reversed and sardines were in plentiful supply, the canner would suggest to the individual fisherman that he would take his catch if he was prepared to give big measure. This was a most unsatisfactory arrangement in either case as it resulted in instability, breach of contract, lack of confidence or, in other words, general chaos. But in the final analysis it is the producer who pays the bills.

I have endeavoured to give you a true picture of the sardine industry as it has been carried on since I can remember and during the period I have mentioned I was actively engaged in the industry for twenty-three years. The dates I have mentioned are from memory and will be subject to correction if my memory has failed. However, I feel quite confident that they will be found to be substantially correct if checked.

In summing up the complete background of this industry I should like to suggest to the committee, without any fear of contradiction, that a similar set of circumstances could not be found in any other old established industry on this continent and that no other class of primary producer in Canada have been so completely ignored and left to work out their own salvation.

These rugged individuals engaged in this industry, the greater percentage of whom I know personally, are not looking for handouts. They have always been ready and willing to take the bitter with the sweet, but when the diet becomes all bitter they wonder if they have a friend anywhere to come to their defence. They realize that from personal experience I should be cognizant of their desperate struggle for survival so it becomes my unenviable duty to place their problem once more before the government in the hope that my presentation will not fall upon deaf ears.

I firmly believe that if anyone is prepared to criticize he should be in position at the same time to offer some constructive solution to the problem involved. For that reason I shall now suggest what in my opinion is the only course to follow in order to bring some semblance of stability to an industry which is now in a depressed condition and whose future is most gloomy indeed. In doing so I am confident that the course I shall suggest will be endorsed by every sardine fisherman in southern New Brunswick and in the state of Maine.

These sardine fishermen on both sides of the border must insist that the fisheries departments of the United States and Canada, together with the canners in both countries, get together immediately so that an opportunity will be provided for representatives of these fishermen to present their views and work out a plan whereby fishermen would be given a fair return for that which they produce. This has been accomplished in the past during the world wars and it was the only period in fifty years when fisherman and canner alike knew where they were going.

A stable price would benefit not only the fishermen, but the canners as well, and many canners I am sure will agree with that statement. A stabilized price would not cost the taxpayers of either country a single dollar. During the periods I have mentioned, when prices were regulated by government action, no subsidies were paid by the government of either country. For example, the margin to the ultimate consumer as between sardines at $10 per hogshead and $20 per hogshead would be approximately 50 cents per case of 100 cans, or one-half cent per can. That differential would appear to be insignificant in so far as the consumer is concerned. It is a fundamental principle from the standpoint of the producer that this

differential may mean the difference between stability and prosperity, on the one hand, and depression and chaos on the other.

At this point I should like to suggest that the canner also has a problem. The supply of sardines to the cannery is most unreliable. There are long periods of scarcity and then there are periods of plentiful supply and for those reasons the cannery must stockpile during the periods when supplies are available in order to take care of their customers over the twelve months. The prices paid for sardines which are stored are of paramount importance to the canner. In the spring a canner may pay $20 per hogshead and store the sardines for three months. Then the price may drop to $10 per hogshead and the cannery purchasing at that time is able to quote lower prices. For that reason the canners try to keep prices at a minimum, never at a maximum, when there is a plentiful supply.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. Stuart (Charlotte): Mr. Chairman, at the time the house rose at one o'clock I had described present-day conditions in the sardine industry after a review of a forty-year period. I would like to say at this point that we all realize that there is great competition among the canners on the east coast, and for that reason it is perhaps to be expected that they must purchase their materials at as low a cost as possible.

Again I want to emphasize the fact that the fishermen cannot be blamed for their lack of organization or the lack of assistance received from the fisheries department. If these prices however force more of the fishermen to leave this industry it might have a very harmful effect, and again an answer to the whole problem might be the establishment of more fishmeal plants in this country which would take care of the surplus at all times. Some may say this whole question is purely a question of supply and demand. I would agree with that statement to a certain degree if we were not dealing with an extremely perishable commodity, so much so that it would be impractical or almost impossible to attempt to regulate the supply at any one time. This truism greatly strengthens the argument in support of a fair price policy for these primary producers.

The proposed international gathering which I have suggested to deal with this problem is not a new idea and I have taken the same stand on many different occasions since I came to Ottawa. I should like to quote briefly from my remarks as far back as 1945 during my first session as a member of this house. These remarks will be found at page 3657 of *Hansard* for December 17, 1945. At that time I said, and I was referring to the price support which was being discussed at that time by the agriculture department:

> We in the maritime provinces are in a different position from the western farmer. As I have pointed out, we are depending on the American markets for our livelihood. Therefore nothing but an international agreement would be sufficient to give us the protection I feel we deserve.
>
> I am personally acquainted with most of the Maine canners and fish buyers, and knowing them as I do, and knowing the friendly feeling that exists on this border, I feel confident this could be done by the two countries agreeably to the fishermen on both sides.
>
> I trust the department realizes the importance, indeed the necessity, of an agreement of this kind, and will work with the fishermen and the fisheries department in the United States to have an international agreement as to floor prices that will meet with the approval of all concerned.

We all realize I believe that these problems in many cases are deemed to be of a local nature and do not affect any great areas, but I would like to say that this particular industry means much to the whole economy of the county I represent. I would say that 25 per cent of the people in that county are engaged directly or indirectly in the fishing industry.

So far I have described conditions under which we have carried on in that industry on the Atlantic seaboard. In conclusion, I would like to describe conditions on the Pacific coast where these primary producers have some control over their own affairs.

Before a seine or net is put in the water in British Columbia an established price has been arranged with the canners and fish meal manufacturers for the entire season; not for a short period but for the whole season. We had a similar arrangement on the Atlantic coast more than forty years ago, as I mentioned at the beginning of my remarks today, but that arrangement has been discarded and conditions have worsened rather than improved since that time.

Fish or herring for fish meal delivered to factories in British Columbia by the fish producers are worth about $30 per ton or $18 per hogshead in our measure. Compare these prices with prices being paid for fish meal on the Atlantic coast line. If we had unlimited markets for any kind of fish at these prices being paid in British Columbia our worries would be over. The British Columbia herring fishermen receive 100 per cent more for herring going into the manufacture of fish meal than we receive for sardines which are canned on the Atlantic coast line and go into food. If the herring and sardines which were of poor quality at different periods during

the past years could have been used in the manufacture of fish meal at the prices paid in British Columbia our industry in New Brunswick and Maine would have prospered rather than have become depressed.

If this old established industry is to survive we must have international agreements between producers and processors in southern New Brunswick and the state of Maine. The fisheries departments of these two great countries must be held responsible for any unnecessary delay in rectifying this glaring example of injustice. If the course I have suggested is not followed by the fisheries department our young men on our three large islands, Deer island, Campobello, Grand Manan, and along our entire coast line must leave their homes and seek better living conditions elsewhere.

If a set of conditions such as I have described could be found anywhere in the agricultural industry, officials of that department and sufficient funds would be made available immediately to investigate, and a remedy would be found without delay to take care of the situation. I suggest most sincerely that the fisheries department should be held responsible and any delay is not necessary. There are officials all through this section working for the department who know that the conditions I have outlined today are exactly as I have described. Information that might be necessary for the department to take some action in this regard must be already in the hands of those officials. The fishermen themselves are demanding that some action on the part of the department be taken. I would trust that the delay would not be unnecessarily long and that the situation might be investigated within a reasonable time.

At the same time a full-scale investigation into the spread between prices paid fishermen for ground fish such as cod, pollock and haddock and consumer prices might be in order. That might also apply to the prices consumers are obliged to pay in all parts of Canada for fish products. The great spread between the prices paid the producer and those paid by the consumer is something that should have been investigated long ago. The variation is too great between what the producer receives and the price that is being asked today of the consumers in this country. Such an investigation, I am sure, would bring to light a differential of most unfair proportions.

I regret that the time at my disposal will not allow me to go into this most important subject to a greater extent. An investigation, however, would I am sure be wholeheartedly approved of and supported by those engaged in the industry.

In conclusion, may I emphasize the fact that the action which I have suggested on the part of the Department of Fisheries is long overdue. We have always supported any assistance given to any other primary producers in Canada. I believe we have every reason, therefore, to expect some consideration to be given to those engaged in the fishing industry on the Atlantic coast.

Mr. Gillis: I have a few remarks I should like to make on this item, Mr. Chairman. First, I should like to compliment the member for Charlotte. He gave us not only a very factual speech, but a well reasoned speech. Of course, being a practical fisherman himself, he knew his subject and placed it before the house in a very comprehensive way. I consider that in the last few years the Department of Fisheries has made a lot of progress, compared with what it was when I first came into this house. When I came here, the industry was really the forgotten industry. The question of fisheries was seldom raised in the house, and up until the last few years, from what one could gather, the fisheries department was the convenient spot in which to place a minister while he was waiting to be appointed a judge. In that way the fishing industry as a whole received very little consideration, and was really the forgotten industry.

In the last few years I consider that that department has made progress. For example, during this session the fisheries committee was perhaps one of the busiest committees. It sat continuously, and dealt with many phases of the industry. Previously that committee would only be called together about once every two years to find out if we could change the label on a can of salmon or something like that. This session that committee was very busy, and I think any member who sat on it will agree that we received a lot of valuable information about the fishing industry. I know that, as one member of the committee, I did. The present minister has at least been going around the country trying to acquaint himself with the industry. I am reasonably sure that the present deputy minister, whom we have all had occasion to meet or correspond with from time to time, is in the process now of tying up the industry on a national basis; something that has never been attempted before.

As the member for Charlotte points out, the industry still requires considerable analysis. Like every other industry in North

America today, the fishing industry is undergoing a process of technological advance. It is becoming a mechanized industry. Anyone who reads the evidence the deputy minister gave in his first statement to the committee can see that clearly. The day of the hand line shore fisherman has just about passed. Of course, this advance is going to hurt some people, and the impact of it should be lessened as much as possible. I believe the impact could be lessened if some of the suggestions made by the member for Charlotte were implemented.

There are just two things I want to mention. First, I believe that the recommendations made by the member for Charlotte with regard to the $160,000 bounty should be taken into consideration. This amount of money, which serves very little purpose today, should be utilized as an insurance premium in order to guarantee the fishermen against the hazards of the industry. This $160,000 bounty is fixed by statute, and the department cannot play around with that. Actually, it means about $6 per man per year, so in the final analysis it is nothing. As someone said this morning, it will not even buy a good bottle of Scotch today. At one time it would buy two bottles, but today it will not even buy one good bottle. The regulations under which that money is paid are very inflexible. A fisherman has to have his application in by the January deadline, and then the amount of money which each fisherman receives is based upon the number of applications. In many cases the fishermen in the remote sections, far from post offices, do not get their application in and do not share in the $6 payment. I think a much more useful way of handling that would be the way suggested by the member for Charlotte. An insurance premium should be paid, even if the government has to add to the amount, in order to provide hazard insurance for those engaged in the industry.

Coming from the Atlantic coast as I do, I know that last year the fishermen suffered severe losses along the coast line. On at least two occasions they lost complete sets of gear, and that is a severe loss to the average fisherman. His means of livelihood are swept away overnight, and he is not in any position to replace the equipment. He certainly should be insured against that kind of hazard. If something like that is not done, then I believe the regulations under which this bounty is paid should be investigated. This amount of money is ridiculous for the purpose it is supposed to serve. It should not be statutory because it is fluctuating from year to year. If a bonus is going to be paid in that way, and for that purpose, then the government should look at the need as it fluctuates from year to year, and at least allow sufficient latitude to administer the program in a way to provide the best relief. As it is now, I do not think it serves a useful purpose.

The second thing I should like the minister to comment upon when he replies is the enforcement of an old law, particularly as it applies to Nova Scotia and Newfoundland. In the past trawlers, draggers and fishing vessels of various sorts from other countries such as Portugal and Spain had the privilege of entering Halifax, Sydney, North Sydney and those coastal ports in order to purchase supplies. There has been a law against that procedure for a good many years, but it was never enforced. Within the last year the department has undertaken to enforce the law so that the foreign fishermen are prohibited from entering Halifax, Sydney and North Sydney to purchase supplies and so forth. An exception has been made, however, in the case of Newfoundland. These foreign fishermen can still go there to purchase supplies. I do not believe the department can justify that.

Either the law is good and can be enforced one hundred per cent as it applies to any section of the country, or it is no good and should be repealed. In view of the fact this law has not been enforced for a good many years, many people in these towns I have mentioned have built up a business on the waterfront on the strength of being able to get this trade when the foreign ships came into port. I should like the minister to tell us what the intention of the department is. Do they intend to enforce that law so far as Nova Scotia coast ports are concerned and leave Newfoundland as it is, or do they intend to revise the regulation altogether in order to bring some unity into its application? I am not quarrelling, mind you, or expressing an opinion about the value of the complete enforcement of that regulation. If I was asked for my untutored opinion with regard to the matter, I would say that the enforcement of the regulation—while it might do some harm temporarily to some people carrying on business—over the long pull would be much in the interests of the industry. But it is not my business to make these regulations or to enforce them. I suggest to the minister that if the regulations are going to be enforced, it should be done impartially. No section should be exempted. If the regulations are not going to be enforced, they should not be enforced in any part of the country.

Mr. Ashbourne: What about St. Pierre and Miquelon?

Mr. Gillis: We do not have much to do with St. Pierre and Miquelon.

Mr. Ashbourne: They are near to Newfoundland.

Mr. Gillis: The hon. member means keep them out of there also?

Mr. Ashbourne: We could not do that.

Mr. Gillis: I am not suggesting that. I am suggesting that North Sydney and Halifax should get the same kind of law, as it applies to vessels coming in and making purchases, as Newfoundland is getting at the present time. Of course I realize that the Department of Fisheries is rather supernumerary in the matter of Newfoundland fisheries, when consideration is given to the fisheries commission in Newfoundland, the powers they have, and the restrictions with regard to becoming a member of the fisheries commission. If I were the minister I imagine I would figure that, with regard to Newfoundland, I was merely attached for rations and discipline, when consideration is given to the scope of that commission which has been perpetuated for ten years under the terms of confederation. But that is another argument altogether and I am not going to enter into it. In fact, it is none of my business. We shall let the premier of Newfoundland, Mr. Smallwood, work this thing out.

The two things on which I wish the minister to comment are, first, the fishing bounty, and what is going to be done about it; and second, how are we going to enforce the regulations with regard to these foreign ships making purchases in the ports that I have mentioned?

Mr. Mayhew: Mr. Chairman, probably I should answer some of these questions before I get too far behind. First I should like to reply to a question that was asked of me on the orders of the day yesterday by the hon. member for Cumberland. The question was with regard to extension of the lobster season in that area. We find that this year to date there has been a slightly lower catch of lobsters than there was last year, although not a great deal. We have therefore not fully made up our minds yet just what we will do. But if there is any extension—and it is likely that there will be some—it will apply to the whole of that district, not just to one part of it. Our announcement will be made shortly.

Mr. Black (Cumberland): Can the minister state when the announcement will be made?

Mr. Mayhew: It will be made by the first of next week at the latest, but probably this week.

[Mr. Ashbourne.]

The hon. member for Burin-Burgeo made an extremely interesting speech. He dealt with two important problems, one of which is the danger to stocks from the use of draggers. I think probably there has now been sufficient experience in the use of draggers to determine whether or not there is a depletion of the stock in the areas where draggers are being used. That question has to be constantly examined and reports made. The information we have to date is that the use of draggers has not in general diminished the supply, although if there is constant use of draggers in a small area around the shore the condition might easily be somewhat different. That position will be watched carefully.

The other matter to which the hon. member referred was the extension of territorial waters. I have repeatedly stated in the house that, with regard to the conservation of fish, the three-mile limit was not satisfactory. However, the extension of territorial waters is an international matter and would require agreement by many other nations. The question of the stocks of fish comes within the competency of the international commission for the north Atlantic fisheries, that will be holding its second session in St. Andrews at the end of this month. At the present time the commission is examining the position in area No. 5, which is George's bank. Other areas will receive the attention of the commission from time to time.

I want to congratulate the hon. member for Gloucester on his maiden speech. We were glad to hear him and to realize that he is interested in the fisheries of his riding. I wish to assure him that we too are greatly interested in that area. He spoke particularly about insurance for fishermen's boats. He also spoke about lack of assistance. I should like to advise him that in his own county we have given a subsidy to some 38 boats, to a total of approximately $167,000, which was $165 a ton. Every one of those boats is insured. They are insured for protection. The provincial government gives them a loan. We give them a grant. Our grant is insured for a period of five years, but the boat is insured until the provincial loan is paid off. It is therefore possible to get insurance on certain types of boats.

I will agree, however, that there are many smaller boats with gasoline engines on which it is virtually impossible to get insurance; at least the rate for insurance is so high that the fishermen could not afford to carry insurance on a small boat. I should like to inform the hon. member for Gloucester and other hon. members that at the present time

we have three men from our economics branch set aside to study the possibility and the probability of bringing into force insurance on boats.

Personally, I have considered that the lives of the fishermen and the boats they work in are the two main things to be taken care of. If it is at all possible to provide some insurance which I hope will be a three-way insurance; that is, where the fishermen, the provincial government and the federal government take part in providing insurance, at the start, on men's lives and on the boats that they sail in. Later on, if it is possible to include the gear, that can be done but it will probably be well after my time. However, I want everyone to be assured that the lot of these people who harvest this valuable food from the sea is one with which we are concerning ourselves.

The hon. member for Charlotte brought out the idea—and it was referred to by the hon. member for Cape Breton South—that the $160,000 that is paid as a bounty should be used for insurance purposes. In the hon. member's own riding there are 146 boat owners and 181 fishermen working on the boats, or a total of 327 men, in the county of Charlotte who are getting some of this money. In the whole of the maritime provinces there are 14,358 men. It would be very difficult to get all of these men to agree to cancel their right, which amounts to a little more than $6 apiece; it amounts to $9.55 each. That is what it amounted to last year.

The hon. member for Cape Breton South said that it was a variable amount. It is not exactly a variable amount; it is the interest on $4 million. That is the amount on which the interest is based. I think it would be difficult to get an agreement from the 14,358 fishermen that their money should be used to pay for insurance on boats when perhaps a good many of these men do not own any boats at all. There is also $1 a ton on the vessel itself that goes to the vessel owners. They could easily apply that, if they wished, to this purpose. However, it is a matter of their own desire as to whether they would like it to go to pay insurance on their boats. There would be great difficulty in getting all these men to agree to the use of that money for that purpose. I take it that this is not an instance where the majority should rule. In this instance the individual should have some rights.

The hon. member for Charlotte did make a very useful speech. He is a man who knows the fishing industry very well. A good many of the suggestions that he put forward will be seriously considered. He, too, advocated the principle that the $160,000 should be used for the purpose of insurance. He spoke of the price of sardines. The price of sardines is a competitive one in the tinned fish trade. In the first place, the plants in his own district have to compete with the sardines and canners from the state of Maine, and that competition is pretty keen. They likewise have to compete with Norway, Sweden and many other countries that are putting up sardines and have been doing it for quite a long time. Right in the heart of one fishing community that I visited not so long ago I saw Norwegian sardines and our own fishermen ready to buy them. It is a very competitive article, and a good deal of it is sold in the cheaper markets. They are put up in a tin that a man can put into his lunch kit, and that composes the main portion of his lunch.

The hon. member spoke of the competition and implied that some of the canners were not living up to their contracts. I think that if any of our Canadian canners were not living up to their contracts the fishermen would very soon complain about it, and they would have recourse to the courts to collect from them. But I think he was referring mainly to the Maine canners, and over them we have of course no control whatever.

The hon. member brought up another matter which I think I should reply to. He mentioned that the amount in the estimates before us is approximately $10 million. It is a little less than that, and he compared that with the estimates of the Department of Agriculture, and said that ours is so much smaller. Well, I am not going to say that we are doing everything for the fishermen that we would like to do. I suppose the Minister of Agriculture would say the same about agriculture. But we should at least remember this. The total value of the fisheries to Canada last year, including Newfoundland, was $200 million. On the other hand, the total value of agriculture to Canada is $2 billion. There is a vast difference. If you compare the $10 million that we have with the $60 million that agriculture has, you will see that it is not too far out of line, but more than the $10 million that is in our estimates goes for that type of work. If you want to take in everything that we do for fisheries you will have to examine your estimate books in relation to your various communities or provinces and you will find large sums of money in there for the building of wharves, for breakwaters, for fishermen's floats, and for a great many other items.

The item of $80,625 for price support was referred to. That is only the administrative item. It is not what is actually spent for price support. However, I am not finding

fault with the hon. member for bringing up these questions. I appreciate it very much, and it will get very careful consideration.

The hon. member for Cape Breton South referred to foreign vessels having a base for their operations on our coasts. This is not a regulation, as was referred to by the hon. member; it is an act of parliament, the Customs and Fisheries Protection Act. I agree with him that it does need revision. He says that it has not been enforced. It was enforced very rigidly up until the beginning of the first war when, by order in council, there was some relaxation. It had been enforced I think rather indifferently between the two wars and since the last war. However, the act is so strenuous in its application that if one of those foreign vessels were picked up we would have no option but to confiscate the vessel itself. That, I think, would be rather unfortunate. When this was brought up about a month ago it was the first time, in my experience. Things have changed considerably since the act was passed. There were days when shore bases in this country were much more valuable to foreign countries than they would be today, when there are modern boats with a much greater tonnage, and with much greater sailing speeds. There is also the difference that, since Newfoundland came into confederation, by the terms of union, Newfoundland was permitted to continue furnishing these boats with supplies.

Then there has been another change. The islands of St. Pierre and Miquelon are owned by France, and they have allowed the boats of some European countries to base there. This is a point that has changed the picture considerably.

We have been asked what we are going to do about the act, and the answer is that we are going to discuss the matter with other departments vitally interested, with a view to a revision of the act. We would hope that this revision of the act, whatever it may be, will be done in sufficient time to enable people on the Nova Scotia and New Brunswick coasts to make preparations to have supplies ready for the boats, should we find it desirable to make the change in the act.

However, this is not something that can be done lightly, because a number of factors are involved. When we give shore rights to a foreign country, we give to them the full advantage Canada has in respect to its proximity to the fishing grounds. In extending this privilege we would be giving away the locational advantage our fishermen have, and, I suggest, we have a right to expect something valuable in return for that.

[Mr. Mayhew.]

Before taking my seat I should like to make one further observation, in the hope that those who are interested will pay some attention to it. We prohibit our own nationals from fishing in their larger boats inside the twelve-mile limit, while foreign boats can come in to the three-mile limit. I would hope that the foreign boats coming in and having the privilege of using our ports would at least recognize the regulations we have placed upon our own draggers and trawlers.

Mr. Nowlan: Mr. Chairman, I should like to make one or two comments on this first item. The hon. member for Gloucester dealt this morning with some of the problems of the maritime fishermen, and this subject was also discussed by other hon. members, in particular the hon. member for Charlotte and the hon. member for Cape Breton South.

As the first member of the official opposition to speak, following the speech of the hon. member for Gloucester, I should like to take this opportunity to congratulate him upon the showing he made this morning. His speech augurs well for the valuable contribution he will be able to make as time goes on.

The minister dealt with certain matters of administration, and referred specifically to the possibility of insurance. His declaration was one which all hon. members will welcome, and which we believe is necessary. Some steps in that direction are past due, and I am glad to know the minister is giving the matter consideration. In my opinion some action should be taken.

Of course that is only part of this general problem confronting the fishermen, and particularly the inshore fishermen, those operating on smaller capital and with the small boats. I noticed a while ago an announcement by the Department of Labour in which it was said that it was impossible to apply unemployment insurance to the fishing industry. I think that is a wise decision; in view of the number of share men operating on the larger boats, and the number operating in smaller boats, I should think it would be virtually impossible to do anything for them that would be beneficial by way of unemployment insurance.

Someone may say that there is a sick mariners fund. Although I have no direct knowledge in the matter, it may well be that the sick mariners fund would serve a useful purpose in respect of those fishermen operating out of Lunenburg, or those other ports where one finds the large trawlers, and other heavy equipment going out for purposes of deep-sea fishing. But this does not apply in respect of line fishermen operating out of the little ports along the coast—or if it does

operate at all, then only in a very few cases. Those men own their own small boats. They simply go out into the bays and return at nights. My understanding is that in order to qualify for treatment they have to be taken sick while aboard, and the fact is that most of them are at home when sickness befalls them. Thus the fund is absolutely useless to them.

I say there should be some study given to working out a program equivalent to that of workmen's compensation. I realize that workmen's compensation is a provincial responsibility, and that it is administered by the provinces. But it must be kept in mind that the fisheries come within the jurisdiction of the federal government. In my view we should make a study of the system. For instance, I have seen fishermen whose hands have been punctured by hooks, and where blood poisoning has set in. Those men have been laid off for months, and without receiving one red cent. Their earning capacity is ruined for the rest of their lives.

I know those fishermen do believe that some such system could be invoked. I would hope that departmental officials might give further consideration to this matter, and that when he speaks again this afternoon the minister might make reference to it. Or, if he would consider the matter, and speak about it at another time, I would be happy then to hear what he would have to say.

The minister made another interesting statement this afternoon when he referred to the draggers. I understood him to say that there was no evidence as yet that the operations of draggers had resulted in a depletion of stocks, but that study would be given to the matter, and if they were satisfied that this depletion had taken place some appropriate action would be taken. I can recall raising this matter of draggers and trawlers three or four years ago when I first came to the House of Commons, and that at that time the then minister gave exactly the same answer. He said there was no evidence that the draggers and trawlers were depleting the stock in any way, but that, if they were, action would be taken.

I notice that in a report which appeared in the Halifax *Herald* on January 7 of this year the minister's own officials made some comments in this connection. The article quotes Dr. Needler, director of the fisheries biological station at St. Andrews, and Dr. Templeman, director of the fisheries research station of Newfoundland, as making reference to the work which the trawlers and draggers are doing on the banks, and they make reference to the effect on stocks when, for instance, two Spanish trawlers sweep together. They make the statement that the evidence indicates that this is prejudicial to the stock of haddock.

I suggest that if in the opinion of experts there is evidence that these trawlers operating on the banks are depleting the haddock stock, it is a fair inference that the smaller draggers operating in narrower waters would also damage the stock. I can assure the minister of this, that it will require all his eloquence, logic and charming personality to convince the fishermen along the bay of Fundy that this is not the result. It may be coincidental with the shortage of haddock, but many of the people down there hold the belief that these draggers and trawlers are definitely prejudicial to the industry.

The minister pointed out a moment ago that our own draggers and trawlers are required to keep twelve miles off the coast, whereas foreign vessels may come within three miles, and that that is a matter to which he has given attention. I think it is time that special attention was given to this matter because, as I have said before and as the minister undoubtedly knows, there are departmental reports to show that at times these boats do come within the three-mile limit and operate close to the shore line, in fact so close that they drag up lobster traps which are set a few hundred feet from the coast. The excuse is always that they have been lost in the fog. I certainly regret that lack of navigational skill which permits them to get lost, and still avoid going on the rocks entirely. The only ones they are putting on the rocks are the fishermen whose gear and fish are being destroyed. I think definite action should be taken in this regard.

Reference was made to the extension of the coastal waters. I think there is a good legal argument, certainly a practical argument which could be advanced for the declaring of the bay of Fundy as being inland waters. I understand certain peace treaties would be involved. I think the Secretary of State for External Affairs will agree that in the discussions which took place many years ago between Great Britain, which was then looking after our foreign affairs, and the United States that matter was left open. If the departmental officials would go into this and see that it was raised at a conference I think that they would find that action could be obtained.

While I realize that there is logic and force in his argument, I hate to accept entirely the statement of the hon. member for Cape Breton South that because this industry is being mechanized the little people are being forced out entirely. I admit that that is true in connection with deep-sea fishing.

Those of us from Nova Scotia will remember the bitterness of the discussion twenty years or more ago when we had the controversy as between trawlers and schooners and the rest. That matter was settled because of economic necessity; that era is past.

But all along the coast are many small villages which are supported by fishing operations from small boats which go out into the bay of Fundy or probably in waters in other parts of Canada. That phase of the industry cannot be mechanized. You have an ideal situation in the bay of Fundy and if proper steps were taken to stop the operations of trawlers and draggers the small hand-line fisherman would be able to earn his living and support his family and community as he has supported them for generations. With the regulations that now exist and the circumstances under which they now operate, unless something is done all these communities along the bay of Fundy and in the southwestern part of the province are going to be threatened with extinction. I urge that action be taken in this connection.

I do not want to take up the time of the committee any longer except to refer to one other matter which has already been before the house, the damage which was done to the fishing industry last winter by the serious storms which occurred at that time. The minister has referred to the possibility of some insurance scheme being worked out to cover the boats. That would be most helpful, but in this series of storms, which were almost continuous, almost complete economic disaster was faced by fishermen all along the coast of Nova Scotia.

Speeches were made in the house by the hon. member for Halifax, the hon. member for Digby-Yarmouth, the hon. member for Charlotte, and I think I made a contribution myself, urging that action be taken. I am sorry to see that as far as the main estimates are concerned there is no item which I can relate to the disaster which these people suffered. Possibly something will be included in the supplementary estimates, and I think we should be told whether there will be an item there. We have heard the logical appeals made by hon. members representing various constituencies and some action should be taken.

I was reading a statement made in the other place by an hon. gentleman from New Brunswick who at one time was a cabinet minister in the government of that province, and it certainly was not a Conservative government. He said that in so far as the maritimes are concerned apparently God worked in a different way than for the rest of Canada. When an act of God occurred down there it was considered to be the fault of the people and nothing could be done about it, whereas the government apparently felt it had some responsibility for the acts of the Divinity in the rest of Canada. That was a statement made in the other place.

In answer to a question asked by the hon. member for Digby-Yarmouth the parliamentary assistant said that the matter was under investigation. Then the minister stated that there had been no request from Nova Scotia with regard to this. I have here a long and indignant statement by the minister of trade and industry of Nova Scotia which deals with the whole situation. He states that this matter is the responsibility of the federal government and that he has asked that action be taken.

It is true, as some have suggested this morning, that this industry has not received the same support which other industries have received, but I do not agree for a moment with the hon. member for Charlotte that, because agriculture has received certain treatment, fishing should receive parallel treatment or be considered on the same basis. Farmers suffer crop failures, and at least in the east they do not receive any money for it. They suffer from storms and various other things and receive no money. I think the minister was right when he said that in so far as the economic value of the product was concerned, agriculture was not receiving proportionately more than fishing.

If an economic disaster such as this had occurred to some other industry in some other part of Canada I think it would have been received much more sympathetically than this particular situation. I think the minister should state just where this matter stands, just what is being done or what will be done with respect to it. Scores and scores of fishermen have lost virtually all their capital. They have lost their boats, they have lost their gear, and in many cases, as the Minister of Public Works well knows, the wharves in their villages were lost. We do hope that some of these will be replaced so they can carry on.

This matter should receive consideration. We have heard it said that this industry is an orphan, but this government which is now in power should look after it. We realize that the minister is taking an interest in this industry and has travelled around the country, as the hon. member for Cape Breton South has said, probably more than any other minister. But no matter how sympathetic or how intellectual the consideration given to this matter may be, that alone will not solve the economic problems of these people. I ask the minister and the department to give these matters careful consideration and see that action is taken at the proper time.

Mr. Mayhew: Mr. Chairman, I think I should answer the hon. member right now. The province of Nova Scotia asked that a survey be made by the department of the storm losses in that province. That was completed last month. I am now informed that there has arrived at my office an official request from Nova Scotia for assistance. We have not had time to consider that so I do not know what it contains.

At the earlier request of the provincial government a thorough survey was made of the losses. The bulk of the losses were made up of lobster traps. The number of traps reported lost in the storm is given at 155,000, or 30 per cent of the total owned by fishermen. These traps would be worth about $1 million but it is understood that many of the traps lost were old. There are of course always some losses, so that only a proportion of this year's loss can be considered to be above normal. The government has just received a submission from the provincial government based on the facts as now known.

The lobster catch in Nova Scotia for the first four months of this year was 4·7 million pounds as compared with 5·7 million pounds in the same period in 1951. With better prices, however, the value of the catch this year was $2,256,000 compared with $2,121,000 a year ago. That is the position today and I can assure hon. members that due consideration will be given to the provincial government's request.

Mr. Gibson: I just want to address a few remarks to the minister as the Minister of Fisheries and also, I hope, as a minister from British Columbia.

As he will realize, our province is having its share of difficulties these days. We seem to have strikes in lumber and amongst our carpenters, and there is also threat of a strike in fisheries out there. We have all those troubles which have also been complicated by what I might suggest was "hoof-and-Hansell" disease out there. I know the minister will be particularly interested and probably the fisheries research board will be interested to note that they catch the biggest crop of suckers with bait of just straight corn.

Some hon. Members: Oh, oh.

Mr. Gibson: However, getting back to a serious vein, I must say that the threat of the fisheries strike out there is very serious and it seems to me that both sides would be very interested in the remarks which the minister made today. I felt, however, that the minister was somewhat reticent. I can quite understand his not wanting to take part in what appears to be a labour dispute, but it seems to me that with the type of fishery there is in British Columbia it is a little different from the ordinary fisheries dispute. I do not think either the fishermen or the operators out there can claim any fishery. I think the people of Canada can claim that it is one of their assets. It would seem to me that the minister might have gone considerably further than he did this morning and given both sides of the dispute some factual information which he must have and which is available either in his department or through the Department of Trade and Commerce who always have surveys of market conditions in Canada. They will know the true picture of the stocks of canned salmon on hand. It seemed to me that on going into a new packing season with this very substantial carryover we would all be very interested to know just how he feels about it.

As I said, I do not feel that he would be taking part in what might ordinarily be termed an industrial dispute if he were to give us that. As the minister realizes, fish are not like timber. If we have a strike in the timber industry naturally we have a tie-up of timber while the strike goes on, but that is not so with salmon on the Fraser river. I am speaking here particularly of sockeye salmon. Great steps have been taken in the conservation and propagation of the run on the Fraser river so it seems to me we should see what can be done to assist, as this asset belongs to the Canadian people as a whole. The minister knows that if these beds get more salmon than they can take there is actual harm done to the fishery.

As we all know the Americans are going to get their share of the catch and I would like to be sure that we, through our fisheries department, are acting in the interest of the Canadian people by trying to take what steps are possible to ensure that Canada gets its share this year, whether or not the fish operators and the fishermen get together out there. I would be very anxious to see the minister have a senior representative of his department out there while the negotiations are going on. I would like him to provide some factual information regarding the market, which I think would be very helpful in this case.

I was glad when the minister replied to the remarks of the hon. member for Skeena the other night. I too feel that fishermen in many cases pay sales tax on commercial gear when they should not have to. I realize that there are difficulties of administration of which we are quite well aware, and I am sure the department is doing everything possible to see those difficulties are adjusted. I would just ask the minister to use his good offices to see that sales tax is removed from commercial fishing gear in every possible case.

Coming from the Pacific coast I think I should say a word about the passing of Mr. Frank Tait of the minister's department, who was district supervisor at Nanaimo and who served the department with distinction for so many years. It is a matter of great regret to us there that he passed away so suddenly.

In conclusion I would like to commend the officials of the department for what I maintain is very efficient administration on the Pacific coast. That is the only place where I am familiar with their activities, and I can assure you it is excellent.

Mr. Pearkes: This morning the minister referred to the carryover of the pack on the west coast. While he was not able to say the extent of that carryover it is obvious that it is very considerable. I wonder if the minister could tell us now what steps his department is taking to assist that situation, particularly in view of the difficult labour situation which has arisen on the Pacific coast and to which the hon. member for Comox-Alberni has just referred. I wonder whether every possible endeavour has been made to find avenues by which the carryover can be disposed of. It occurs to me that possibly the armed forces should have an opportunity to use some of that carryover, and I would like to know if the minister has investigated that possibility. Would he tell us what steps his department is taking?

I would also like to add my tribute to Mr. Tait, who passed away only a few weeks ago. He was known to all of us on the Pacific coast and was very highly regarded not only by officials of the department but by the fishermen of the whole area.

Mr. Mayhew: I am sure the family of Mr. Tait will be very pleased to learn of the kind remarks by the hon. member for Comox-Alberni and the hon. member for Nanaimo. Similar remarks have already been passed on to the family by myself and by the department.

May I at this moment refer to another member of the department whom we lost and who has been a very close friend for a number of years. I speak of Mr. Hanson, who was a member of the international Pacific salmon fisheries commission. Olof Hanson, once a member of this house, made a considerable contribution to British Columbia and to Canada. Although he had a good living out of Canada, he made sure that wherever he was, no matter what position he held, he left the country better than he found it.

Both hon. members have spoken about our canned salmon position. Last week the canned salmon operators had two representatives in Ottawa, and we spent a good many hours with them going over their problems and canvassing any plans that might be helpful to them. They left the city the night before last, and I am quite sure they are satisfied that if there is anything this department can do we will do it.

I did not mention the amount of the carryover, because I do not think they would appreciate that. It is not something they would reveal in the ordinary course of business, so I do not think it would be right to mention it here. Anyone who is interested can easily make a fairly close calculation and see that it is a considerable amount. Last year the pack was a little over 2 million cases. Because of the exchange situation the industry will not be able to send any more salmon to the United Kingdom this year. A large sum of money has been spent in trying to promote the sale of salmon in Canada. The industry has spent almost $350,000 and the individual canners are spending another $350,000, making a total of $700,000 spent in promoting the sale of canned salmon within Canada. As a result of that expenditure considerably more than the usual amount of canned salmon has been marketed domestically.

If the expected pack of approximately a million and a half cases is realized this year, that is providing the fishermen go to work, there could be a substantial carryover again at this time next year. I do not think that I should say any more than that. I believe everyone in British Columbia realizes that the stocks are high. They realize also that the price of canned salmon is high, and that it is difficult to make sales at high prices. I believe that with the good judgment of all concerned they will be able to get together and straighten this out without a strike. I do not feel I should say more than that at the present time.

Mr. Ashbourne: I should like to avail myself of this opportunity to say that I appreciate the work which has been done by the fisheries department, and also to pay tribute to the minister himself. As one who has the honour of representing possibly the third largest riding in Canada, and the one with the longest shore line, I think that my remarks at this time are in order. I should like to refer particularly to the Labrador coast, and to point out to the minister the need for protecting the salmon rivers. I would suggest that fishery guardians be appointed there, as is the case in Newfoundland.

I should like also to mention the serious decline in the Labrador fishery. In 1935 that fishery produced about 400,000 quintals of fish, that is floaters and shore fishermen together. Last year I believe the catch was down to less than one-third of that, or

approximately 130,000 quintals. That is a serious decline in the Labrador fishery. As the house may remember I brought this matter to the attention of the department last year when the fisheries estimates were under consideration. I do not know what can be done about the matter, but I believe that last year the shore fishery produced about 700,000 quintals. In view of the extent of the trawling and dragging operations which are being conducted on the banks of Newfoundland, I believe we can reasonably look forward to the time when our fishermen will have to go farther afield in order to secure the catch of fish needed by the Canadian people, in fact by the whole world, as a source of food.

So far as Labrador is concerned, I should like to point out that every spring seal fishing takes place along the Labrador coast and the strait of Belle Isle. The fishermen who prosecute this fishery take the pelts and the fat, but leave a tremendous amount of good food on the ice floes which they are unable to utilize. The report of the fisheries department and the research board just came to hand yesterday and I have not been able to make a close study of it, but it does reveal the tremendous amount of research which is taking place in this regard. I believe something could be worked out whereby we could utilize some of this wholesome protein food which now goes to the bottom of the ocean. I can vouch for the food value of the kidneys and livers of these young seals, and there is a great deal of food value in the rest of the carcass. If it were only utilized for poultry or dog food, at least some way should be found to use these resources which are now sinking to the bottom of the ocean.

We are very thankful for the deficiency payments which have been made by the department to the Newfoundland fishermen. It appears that far-reaching changes may be in the offing for the fisheries of Newfoundland, so a word or two in this regard may not be out of order. I should like to say a word about the marketing organization in Newfoundland which is known as NAFEL, the Newfoundland Associated Fish Exporters Limited. When we realize the chaotic conditions that existed in the free marketing of fish in the European market and the cutthroat competition, and then see the orderly marketing which we have through NAFEL we are impressed with the wisdom of keeping such an organization, even though it may need some reorganization in order that the maximum return will be forthcoming to assure our producers of being properly reimbursed for their labours.

Another matter I should like to mention, Mr. Chairman, is that of unemployment insurance. I am not unmindful of the difficulties which are in the way of working out a suitable scheme of unemployment insurance for fishermen; but I want to go on record as saying that I do not consider that this matter defies solution. Where there is a will there is a way. I believe it is possible to work out a scheme whereby unemployment insurance may be made available for the fishermen.

I realize that this year a change has taken place with regard to the value of our exports to the European markets, in view of the change in the currency situation. This year instead of our fish being sold for sterling it is to be sold for dollars. I hope the minister will see that dollars will be available to the European buyers so the exporters will be able to get the necessary currency in exchange for their fish.

There are certain other matters that I should like to mention. For instance, I think that additional investigation of the banks off Newfoundland and Labrador should be followed up. We are looking forward to the report of the fisheries development committee.

There is also the matter of the extension of the territorial waters of Canada. I think it was only last year that some of the Norwegian sealing steamers which engaged in the seal fishery here in Canadian waters came within the three-mile limit and picked up seals. I could not say whether or not those were their own seals which they had taken, panned and flagged and which had been driven, as were the ships, within the three-mile limit. The whole matter needs to be gone into. I believe that possibly a suitable treaty or convention could be arranged with Norway and the other countries whose fishermen obtain the advantage of this natural resource upon which our fishermen have to depend in order to get their livelihood.

In my district the losses by fishermen were serious last year as a result of that December storm. I am glad some insurance will be worked out for their protection.

Another matter I wish to mention is the need for a bait depot in my district at La Scie. I should like to point out to the minister one other thing, as I have already done. I understand that the site was bought or secured in order to put a bait depot there, but so far I cannot get any further definite promise of a bait depot at La Scie. I should like to point out that not far from La Scie there are two islands, namely the Horse islands, and just across the neck of land in Notre Dame bay there is a settlement of fishermen called Shoe Cove; and it is impossible for the fishermen

there to have any large wharf or facilities other than their stages which they use to land their catches of fish. I should like to impress upon the minister the necessity of getting a bait depot for these people. I am not one who would advocate unnecessary expenditures; but I would say this is a necessity for our people.

While the fisheries are declining in Newfoundland and, as was pointed out by the minister this morning, there is a drawing away from the fisheries to other more profitable avenues of employment, as is quite natural, nevertheless we realize that the fishing industry has been looked upon in Newfoundland as the backbone of the country in the past. We must protect these men, and we want to do something to encourage them.

There is just one other point I want to suggest, Mr. Chairman, and it is this. I would ask the minister, in his reply, to put on record the details with regard to the bounty of $165 a ton which is being paid for longliners. I believe this is the way in which our fisheries will be developed in the main in the future. As I said before, I am looking forward to the report of the fisheries development committee which has been functioning for a long time and has put a great deal of hard work into its report. We all look forward to that report with interest, feeling that it will bring forth some sort of plan which will be most helpful to the fishermen in Newfoundland.

Mr. Goode: Mr. Chairman, I rise to support the remarks made by the hon. member for Comox-Alberni. I believe that he and I, along with the hon. member for Coast-Capilano, represent most of the west coast salmon fishermen. His idea with regard to the department having a responsible official doing the negotiating in connection with the strike that may happen on Sunday is good. It seems to me that if these men—the united fishermen's union and the industry—approached this matter with any kind of common sense and with the feeling that they wanted to settle the strike, it could be done in about half an hour. In Steveston in the municipality of Richmond we are faced with having some 1,500 boats tied up on the shore. Those fishermen have large families. The economic results of this possible strike in my riding are going to be severe, as they will in Comox-Alberni and in Coast-Capilano.

I know it is a provincial matter, as the Minister of Labour told me the other day in reply to a question of mine in the house with reference to the lumber strike. But there again common sense perhaps goes beyond legal limits. If a senior official from the fisheries department cannot hold a watching brief—and I quite understand why he could not do so, and I quite understand why the Minister of Fisheries would not want to become involved in what is perhaps a purely domestic matter—I think something can be done in this House of Commons at least to help in the settlement of the strike before it happens. As I say, most of the fishermen are in these three constituencies. It is quite understandable why the parliamentary assistant to the Minister of Finance could not go to the coast even though he might want to do so. However, I think some of us private members who are interested should offer to sit around the table with the fishermen and the industry, should they want us to do so, before this matter comes to a definite strike. I want to suggest to the hon. member for Comox-Alberni that he and I should offer or volunteer and that if our services are requested in this matter in an unofficial capacity, we should make ourselves available to both the industry and the fishermen on the west coast.

Mr. Mayhew: The hon. member raised a question about Labrador and the subsidy on longliners. That subsidy is $165 a ton, as I said before. The province of Newfoundland has recently formed a fisheries loan board. Therefore the subsidy is applicable to the fishermen of Newfoundland.

Mr. McLure: I am not going to make any lengthy remarks at this time, but there are a few things I wish to bring forward before we go on to the next item. Yesterday I put a question to the minister to which I should like to have had a more definite answer today, with reference to the extension of twelve days being granted in the month of July. I do not wish to dictate to the department or even tell them that it should be done. If the inspector down there goes to the fishermen, as I understood the minister to say today is to be done, and the fishermen say they should have that extension, well, they should have it. I would rather argue this season for some compensation for the extremely heavy losses they have had this year. Take the people of Prince Edward Island, on the north shore and on the south shore. There the season opens May 1. Their first loss this year was from ice conditions, something that rarely happens. On top of that they had the worst storms of the season. Out of some 12,000 traps the fishermen put out from Rustico harbour I understand that over 6,000 were lost. That is 50 per cent of the total number of traps and gear they put out. On the south side, where the storm was not quite so bad, they lost 25 per cent

of their gear. That does not happen every season, but it did happen this year. If the fishermen do not get their traps repaired, or if they do not know in time that they are going to have an extension of twelve extra days in July they will not have any traps fit to put out. Therefore I urge the minister and the department, if they are going to make that decision, to make it soon so the fishermen can put out some extra gear to take advantage of the twelve days extra time, or whatever extension they may have.

There are several other matters I might speak about, but as the time is going along and there are many other estimates to come up I think perhaps I shall leave my further remarks until a little later except to say a word about draggers and the waste that some other hon. members have said is caused by the draggers. I understand that in my province the department is supporting draggers and perhaps putting them into business where there was never any dragger fishing until last year. As one hon. member said, if the draggers are going to put the shore fisheries out of business it should be thoroughly considered before any action is taken, so our shore fishermen will not lose what at the present time is their livelihood.

Quite a few hon. members spoke about the bounty this afternoon. I understand that the bounty is more or less a trust fund which could not be taken and used, without the proper legislation, for anything but a bounty. When we come to that item I hope the minister will give us a little bit of the history of the bounty money, where it comes from and so forth. We know how it has been spent; it goes out as a bounty. If the minister will give us some information about that bounty when he replies it will settle some of the arguments as to whether or not it could be used for insurance.

Mr. Browne (St. John's West): I wish to ask the minister a question on item 141. Under "general services" on page 190 there appears the following: "Director of Newfoundland fisheries." Does the amount given opposite that include part of Mr. Gushue's salary?

Mr. Mayhew: Perhaps the hon. member would leave that until we come to the item. No, it does not; it refers to the director here in Ottawa.

Item agreed to.

142. Information and educational service, including $3,500 for grants to fisheries exhibitions, $136,600.

Mr. Browne (St. John's West): I notice in the amounts estimated for 1951-52 there is a drop of about $32,000. Can the minister tell me what he is saving that money on? I presume it is in the latter part of the details.

Mr. Mayhew: Would the hon. member repeat his question?

Mr. Browne (St. John's West): I notice that on page 192 in the estimated total for 1951-52 the expenditure was $106,000. Last year we voted $138,000. This year it is going to be $136,000. I wondered how the saving of $32,000 was made in the past fiscal year. What did you save the money on? Perhaps I might save some trouble in looking up the details if I said I was chiefly interested in three items, publication of reports, film displays and advertising, and grants to fisheries exhibitions. Were these amounts spent in the past for these three items?

Mr. Mayhew: Last year we had an amount in there for a film which we did not proceed with. This year we intend to proceed with it and that is why we want to provide for it.

Mr. Browne (St. John's West): A special film?

Mr. Mayhew: A special film, yes.

Mr. Browne (St. John's West): Where is it to be made?

Mr. Mayhew: It is a film on the British Columbia fishery.

Mr. Browne (St. John's West): Was any money spent on exhibitions? I see an amount of $3,500 for that purpose.

Mr. Mayhew: The sum of $3,500 is mainly for the grant to the Lunenburg exhibition. That is the only grant being made this year.

Item agreed to.

143. Markets and economics service, $194,600.

Mr. Balcom: Since Nova Scotia is an important centre of fishing, I wonder whether the department has given consideration to including provision for an economist being placed at Halifax?

Mr. Mayhew: We have an economist at the Halifax station now.

Mr. Balcom: A recent one?

Mr. Mayhew: Yes, a recent appointment.

Mr. Black (Cumberland): I notice in the estimates there is provision for a large number of economists. If I understood him correctly, the hon. member for Halifax asked for another one. What is the purpose of having these 18 economists? What are their duties and responsibilities, where are they stationed and what do they do?

Mr. Mayhew: I have a long statement here, but we have spent considerable time on these

estimates and, while it would be interesting to read it, I hesitate to deal with it at such length. Last year their work consisted of providing services in Newfoundland in connection with price support, and the service they have rendered to many other departments. They are connected with the economic consideration of departmental policy, the handling of requests for price support, and the operation of such price support activities as are authorized by the government. Then, in co-operation with the Department of Trade and Commerce, they make studies of the factors affecting the export market as it applies to fisheries products. In co-operation with the dominion bureau of statistics they work on the collection compilation and analysis of fisheries statistics, and the development of a fisheries census. They conduct basic research into the field of fisheries products. They prepare for publication and make reports on economic surveys and market reports, and make contributions to departmental publications. That gives some idea of the work involved.

Mr. Black (Cumberland): Were the new economists appointed last year, or is this staff that has been in the department for some time? There would appear to be 18 of them now. Has the department been expanding in this respect?

Mr. Mayhew: A change is being made shifting staff from the prices support board to the department.

Mr. Black (Cumberland): We have here reference to a director of the marketing and economics service. How long has the director been in the department, and what are his duties? He is receiving $7,080, and is thus a reasonably high-priced man. I believe all would agree that there is some scope for work of this kind in the department.

Mr. Mayhew: He has been in the department since 1945. He is now acting head of the prices support board, and was for some time with the Department of Agriculture. He is heading up this branch, and is a very valuable man to the whole department.

Mr. Black (Cumberland): Would the minister care to give his name?

Mr. Mayhew: Ian McArthur.

Item agreed to.

144. Administrative expenses of the Newfoundland fisheries board, $33,900.

Mr. Browne (St. John's West): Who is to be the new chairman of the fisheries board in Newfoundland? Is there any difference involved in the new title of "administrative officer"?

Mr. Mayhew: We have not yet made any appointment to replace Mr. Gushue.

Mr. Browne (St. John's West): I believe it would be appropriate to pay some tribute to the outstanding services rendered by Mr. Gushue during the many years he was chairman of this board, during which time he gave valuable service to Newfoundland. I believe he is recognized internationally today as an outstanding figure in the matter of the fisheries of this country. I feel it is only his due that he be paid a tribute for his intelligence and his courtesy in dealing with matters relating to fisheries.

Item agreed to.

145. Industrial development service, $40,000.

Mr. Stuart (Charlotte): What number were benefited by the bounty payments during the last year, and what was the average amount paid?

Mr. Mayhew: That does not come under this item.

Mr. Black (Cumberland): How is this money spent? I see it makes reference to technical services to fishermen and the fishing industry. I should like to have some particulars about this vote.

Mr. Mayhew: This item makes provision for the longliner, mentioned this morning. It will enable us to carry on with the use of longliners in Newfoundland, experimentally. Two years ago we had two boats, and last year we had two. In addition we are putting on two more boats, so that there will be four operating this year on an experimental and exploration basis in and around the islands of Newfoundland.

Mr. Browne (St. John's West): In what area will those boats be fishing?

Mr. Mayhew: Northward from Bonavista along the coast, but not in the areas where they were fishing last year. It will be from Bonavista bay, up to Englee, and in that area.

Mr. Browne (St. John's West): Will there be any boats working along the coast from St. John's south, or along the south coast?

Mr. Mayhew: No, not this year.

Mr. Gillis: I should like to ask a question about the statutory vote with reference to fishing bounties. The minister said this afternoon that in the maritime provinces there were more than 14,000 eligible for the grant of fishing bounties. How many of those who are eligible applied for and received the bounties?

Mr. Mayhew: I gave this morning the number who applied before January 1.

Mr. Gillis: How many are eligible to receive it?

Mr. Mayhew: We do not know. We know only the number who have applied. There may be others who are eligible but who have not applied.

Mr. Gillis: I have received letters from several fishermen who were eligible but who did not get in under the deadline. Because their applications were not in by a certain date they were not accepted. Could the deputy minister give an approximation of the number in the fishing provinces who would be eligible under the vote of $160,000?

Mr. Mayhew: There were approximately 100 applications made after January 1.

Mr. Gillis: From all over?

Mr. Mayhew: All over.

Mr. Gillis: That is national?

Mr. Mayhew: It is not national. It applies only to the maritime provinces and Quebec; it does not apply to the west coast or Newfoundland.

Mr. Gillis: The hon. member for Queens asked the minister to give us a little background of this vote. I know the minister argues, as others have argued, that this $160,000 is interest on a fund held in trust for a particular purpose. That fund was set up by legislation and parliament can change that legislation. If the amount obtained in this way is inadequate to serve the purpose intended, then new legislation to provide better insurance for those who operate under this general set-up should be considered. I should like the minister to tell us when the fund was established and what the legislation stipulates.

Mr. Stuart (Charlotte): I agree with what the hon. member for Cape Breton South has said in this regard. My experience has been that only 50 per cent of the fishermen eligible for bounty actually make application. In many cases the payments are quite small and of little benefit to the individual fisherman. If this money could be used for some purpose which would benefit all fishermen, then I agree with the hon. member for Cape Breton South that the regulations should be changed. Can the minister tell us the average payment made last year?

Mr. Mayhew: As far back as 1818 the United States made a treaty that covered their right to fish in Canadian waters and to use Canadian ports. There was considerable contention over this, and in 1854 with a reciprocity treaty equal rights were given to Canadians in United States ports. Then later, in 1871, the Halifax award was made under which the United States paid $4 million to Canada and $1 million to Newfoundland as compensation for the greater rights given their fishermen. The payment of $4 million to Canada was put out at interest from which these payments are made. The average payment last year was $9.55. We know nothing about what happened to the $1 million which was paid to Newfoundland and which went to Great Britain.

Mr. Gillis: I feel that the legislation under which this—

The Deputy Chairman: I am sorry to interrupt the hon. member, but a few days ago I interrupted the hon. member for Cumberland when he was attempting to discuss a statutory item and indicated that such discussion should take place on the first item of the department. I have allowed this question to be asked and the minister has answered it, but following up what I indicated a few afternoons ago I think the hon. member should not discuss a statutory item except on the first item of the department.

Mr. Gillis: I waited deliberately until we reached this item. I shall remember this next year and have a real discussion on the first item.

Mr. Black (Cumberland): I think we all want to co-operate, but I believe the hon. member for Cape Breton South has yielded too much ground. This money has been placed in the hands of the government and is being distributed in a certain way, and if we do not avail ourselves of this opportunity we will have no record of the expenditures. I do not want to press the matter at this stage but, on the other hand, I feel strongly that we are entitled to this information.

Mr. Mayhew: I do not know of any further information I could give. This is a statutory item which can be changed only by an act of parliament. There is nothing we can do about it except to pay out the money as specified by the act.

Item agreed to.

146. To provide for transportation, dressing and dyeing and other expenses incidental to receiving and disposing of fur seal skins accruing to Canada pursuant to provisional fur seal agreement between Canada and the United States by exchange of notes dated December 26, 1947, $700,000.

Mr. McLure: I notice there is a decrease of $100,000 in this item, and I take it that is due to a change in policy under which you are now machining, dyeing and processing these furs in one place. I have been urging that this be done ever since 1945 in order that a

uniform fur seal skin could be offered to the trade. In figuring it up for last year I find that you lost $165,000 plus extra expenses. I want to say to the minister and the department that I hope this season, whatever the catch is, they will have it properly processed instead of having a portion of the seals processed and the others dragged along at a very low price. I notice that this year, for instance, those processed in St. Louis by the Fouke company sold on an average for about $66 more than those processed in the other place.

I have warned the department about that for the last seven years and I hope they now have definitely changed their policy and that we will not have to compliment them in the same manner another year. We hope to see their earnings improve; and I think the committee would be very glad to find out from the minister the amount of profit this fur seal trade is bringing in.

I have another point on this matter of fur seals. A few days ago I drew to the attention of the minister the fact that Japan wanted to get back into this treaty and get a share of the fur seal business. Whatever the minister does on behalf of his department and Canada, let him not give away one per cent or one single skin. If the Americans wish to give their share or to give any amount we cannot stop them. We are now entitled to 20 per cent, so let that not get out of our hands. We need that 20 per cent. Do not be influenced by anyone who says Japan should have 5 per cent. Japan at one time had the opportunity and abused it. Now let her get that amount from the United States if she wants to, but I would like the minister and the department to stand firm and not give away one per cent let alone 5 per cent of our share of the fur seals.

Mr. Gibson: Does the minister feel that he can usefully comment on the observations made by the hon. gentleman?

Mr. Mayhew: The member for Queens first asked what was the revenue from this source. It was a gross of $772,507.84 last year. We paid to the Canadian government $482,245.52 in duty, which left a net of $290,262.32; but the revenue to Canada was $772,507.84.

In connection with the remarks the hon. member made about Japan, I believe Japan has made application but the matter has not yet been given consideration. Those remarks will be in our minds when any negotiations are going on.

Mr. McLure: Can the minister give us assurance now that the processing of our fur seals will all be done at one place, in St. Louis?

Mr. Mayhew: The first year I was Minister of Fisheries there was quite an agitation to give a Canadian firm a chance to prove whether they could properly process seal skins in Canada and thus create a manufacturing industry. We did allow a Toronto firm a considerable number of skins to see what they could do. That has not turned out to be a success up to date, so they are not processing at all. We still have some skins in England with Martin's. They will be finished and sent to Canada. If they turn out to be as good as the St. Louis Fouke skins we may try them out with some more. However, my instructions to the department this year have been that all the skins we take this year should go to the Fouke company at St. Louis for processing and dyeing. Further than that, we have asked them to process enough that we can reduce our inventory of skins at St. Louis.

Item agreed to.

Protection branch—

148. Operation and maintenance, $2,747,294.

Mr. Browne (St. John's West): I wonder, Mr. Chairman, whether this is the right time to ask the minister a question about hatcheries. I regret that I was not here this morning, when I understand the minister spoke about the fish hatcheries in the maritimes. I wonder if he would mind letting me know whether any consideration has been given to the establishment of a salmon or trout hatchery in Newfoundland.

Mr. Mayhew: I answered the question this morning and I think the hon. member will find the answer in *Hansard.*

Mr. Browne (St. John's West): The only reason I mention this is that I understand the minister said there was no work done last year in the maritimes on hatcheries.

Mr. Mayhew: I did not say no work was done; I said no new hatcheries were built in the maritimes last year. When I first saw them the hatcheries were in a pretty run-down condition and I thought they should be repaired and at least put in presentable condition. That was done, but no new hatcheries were built. Trout hatcheries in Newfoundland, as well as in some other places, are the responsibility of the provincial government. As far as salmon hatcheries are concerned they have not proved adequate to meet needs. We think the policy of clearing and improving the ascent to the fish beds is a better way of increasing salmon production in Newfoundland as well as in other places.

Mr. Browne (St. John's West): I must thank the minister for going to the trouble of again saying what he said this morning, but I

would like to draw attention to the report of the department for 1950-51 where it says:

> Thirty-three new outdoor concrete ponds, each with a capacity of up to 50,000 salmon or trout fingerlings, were constructed at hatcheries throughout Nova Scotia and New Brunswick.

I was referring to work in 1950-51, unless he tells us it is impossible to learn what is being done in 1951. It is further stated in the report that:

> Operations were carried on at thirteen main hatcheries . . .

Do I understand from the minister that the policy of salmon hatcheries is being abandoned notwithstanding the extra work which was done in that season?

Mr. Mayhew: The concrete you refer to was put on the bottoms of the pools. They were mud bottoms, and we put in concrete bottoms as an improvement of the hatcheries.

Mr. Browne (St. John's West): On that point, Mr. Chairman, on page 21 of the report these figures are given: speckled trout, 12,045,408; brown trout, 30,655; rainbow trout, 147,176. They must have been planting these small trout there.

Mr. Mayhew: Under the terms of the union Newfoundland agreed to look after the fresh water streams, but our department is responsible in the maritimes.

Mr. Balcom: There are two questions I would like to ask on item 148. In Nova Scotia a great many guardians are employed over a period of six months but actually they are only paid for a period of perhaps four months. It is rather difficult for a man to give up some employment he might have, thinking he is going to be employed for six months and then receive remuneration for only four months. I think perhaps even where the water might be low and fish not very numerous the employment of those guardians should be continued.

Mr. Mayhew: Well, that is something new to me. I never heard that we were engaging people for six months and only paying them four months' salary. I have not the answer here, but I assure the hon. member I shall look into it.

Mr. Balcom: I have another question that comes under this item. Has there been an open season on Arctic char?

Mr. Mayhew: There has been no open season for Arctic char; we have given special permits in that connection.

Mr. Nowlan: Will the minister comment briefly on the boats which are available for protective service on the east coast, and particularly for the western part of my province. Last year I think there was one called the *Cygnus* which was available, in addition to an older one that was in such bad shape the captain thought it was unsafe to take out in stormy weather. Only these two ships were available for work around the southwestern part of the province, so I should like to know if the minister would make a brief statement listing the number of ships which are available for that service.

I noticed also in the details for this item—I do not want to inquire about a lot of details—that apparently this year we are employing 39 captains as compared with 42 for the year before. I presume that the word "captains" refers to sea captains and not to vessels. We have 39 full-time employees, which is 3 less than last year, yet the amount for this year is $116,868 as compared with $97,104 for last year.

Mr. Mayhew: We have eight boats in all available in this section.

Mr. Nowlan: Could the minister name them, please?

Mr. Mayhew: There is the *Cygnus, Lacuna, Limanda, A. Halkett, Gilbert, Venning, Modiolus* and the *Mya.*

Mr. Nowlan: Where are they based? From what ports do they operate?

Mr. Mayhew: There is the *Gilbert* at Lunenburg, the *Cygnus* at Halifax; the *Lacuna* at Halifax and the *Limanda* in the Digby-Yarmouth area; the *Modiolus* in the Digby Neck-St. Mary's bay area; the *A. Halkett* is across at Cape Breton, the *Mya* and the *Venning* are in the Northumberland straits.

Mr. Black (Cumberland): In this same connection, I find we appear to be providing money for 100 engineers. I should like to ask the minister if there is actually a need for 100 engineers, and for what purpose are they used?

Mr. Mayhew: I think the hon. member is taking in all the engineers throughout Canada, including Newfoundland and the Atlantic coast. In that event he would be about right.

Mr. Nowlan: Will the minister explain the increase in the salaries for captains? Perhaps there was an automatic increase, but I just noticed that apparently there was a reduction by three in the number of captains, but an increase of about $20,000.

Mr. Mayhew: That is due to a salary revision by the Department of Labour.

Mr. Black (Cumberland): Do I understand from the minister that there is a need for 100 engineers in operating the boats used by the Department of Fisheries?

Mr. Mayhew: We have approximately 70 ships protecting the whole area, some of which are quite large and require more than

one engineer. Some have two engineers and some three, depending upon their size and their sailings.

Mr. Hodgson: I should like to ask the minister a question about the increase in operation and maintenance. There was an increase of $146,286 in this item for the protection branch under "field services" the increase in operation and maintenance is $457,903. I think the minister should give an explanation of that large increase in one year.

Mr. Mayhew: The hon. member will notice there is quite a list of employees in this protection branch, and the increase here is the increase allowed in the revision of salaries last year.

Item agreed to.

Fish culture and development branch—

153. Construction or acquisition of buildings, works, land and new equipment, $193,190.

Mr. Black (Cumberland): This item refers to fish culture and development work, operation and maintenance. I recognize that this is a very important service, but a large sum of money seems to be needed. There is a great necessity for fish culture work in Nova Scotia and the maritime provinces in order to build up these places as tourist attractions. I should like to have a statement from the minister concerning what is being done in expanding that work, and how many fish hatcheries there are in Nova Scotia and the other maritime provinces.

Mr. Mayhew: This is an important department, in fact one of our most important. Its functions include stream surveys, stream improvement and control, predator control, reduction and elimination, and modified hatchery production procedures as an aid to maintaining and increasing stocks of fish. It includes also field administration of oyster and clam culture in the maritime provinces. The main functions are operation of experimental oyster farms to develop farming techniques based on scientific research and their demonstration.

The number of hatcheries in Nova Scotia are: main hatcheries 7, salmon ponds 3, rearing stations 5, or a total of 15.

Item agreed to.

Field services—

154. Consumer branch, $46,060.

Mr. Gibson: I notice that in this item there is a decrease of $9,000. This is an important branch. I was wondering whether the minister had any statement to give to the committee as to what success is attending their efforts in selling canned salmon. I was particularly interested in the comment made by the hon. member for Nanaimo today with regard to the armed services. About a year ago, from the answer to a question of mine, it seemed that the armed forces were eating comparatively little canned salmon. A commodity of this kind is easily stored, and it is of high quality. I noticed particularly that our armed services were eating the most expensive type of canned salmon. I would have thought possibly the department would be able to influence the cooks or the quartermaster's officers to use more of our product than they do, particularly the pink variety of salmon. It certainly is competitive with other protein foods and is economical.

Mr. Mayhew: The reduction in this item is not real because we are going to have to ask for something more in the supplementary estimates in order to provide for the fisheries cook book which I think most hon. members have seen. There has been wide circulation and favourable acceptance by the trade generally of that book. We therefore must have an extra amount in the supplementaries to make up what we thought we were going to be able to get along without.

The hon. member for Nanaimo spoke about the use of salmon in the armed forces. I think I am quite safe in saying that matter is being arranged. I had the experience of sampling some Russian salmon on one of our boats in Korea. I was able to talk the matter over with the minister here and I think in future our troops, wherever they are, will be able to get canned salmon.

Mr. Browne (St. John's West): The minister was also asked by the hon. member for Comox-Alberni how this program was working out. I wonder if he can tell us about that. I do not know as yet where the experimental kitchen is. I should like to see it some time.

Mr. Mayhew: I will give the hon. member an invitation now to come down and have a sample from our kitchen.

Mr. Browne (St. John's West): Today or tomorrow?

Mr. Mayhew: I will give hon. members a general invitation, as long as too many of them do not come down at a time. Last year we asked a great many parties to come down—or at least the ladies did—to have a demonstration in the kitchen. I would say our diet kitchen is one of our most effective pieces of work, having regard to the work they are doing not only here in Ottawa but from one end of Canada to the other. I think it is having a good effect.

Mr. Nowlan: If I can get an invitation by rising to speak I will certainly do so. I want to commend the minister for the work which

has been done by the consumer branch. I think it is something which is well worth while. On both sea coasts I think we are conscious of the fact that this country has not appreciated all the possibilities with regard to the preparation and distribution of fish. I believe real leadership has been given in this matter up to the present time. I think the minister and the officials who have been distributing the literature or working on this matter deserve commendation. I should like to see greater emphasis placed upon it.

Mr. Black (Cumberland): I agree that this department is doing important work. I want to join my colleague in commending the minister and the officials for the excellent work they have done in the last two or three years. I want to point out, however, that there is still some room for further development and extension of the work of this department with regard to making fish menus more acceptable to the people, especially to tourists who come to the maritime provinces. Hardly a tourist who comes to our part of the maritime provinces but looks forward to getting tasty menus of native fish. There is a great deal more to be done. I want to commend the minister and his department for what they have done and for what they are endeavouring to do.

Mr. Browne (St. John's West): Will the minister tell us where that kitchen is or where we have to go?

Mr. Mayhew: The kitchen is in the basement of the west block. You will find the kitchen itself much better than the path to it.

Mr. Herridge: I just want to rise and join other hon. members in complimenting the minister and his officials on the work done under this item. I think it is one thing being done by the fisheries department that is stirring the imagination of many people in Canada. I have heard a number of women express the opinion that it is an extremely effective way of promoting fish sales in this country.

Item agreed to.

155. To provide for the destruction of harbour and gray seals, $45,000.

Mr. McLure: What was the bounty paid per seal last year and how much bounty was paid for seals destroyed in Prince Edward Island?

Mr. Mayhew: The hon. member wants the breakdown by provinces?

Mr. McLure: Yes.

Mr. Mayhew: In Nova Scotia it was 995, $5,780; in Prince Edward Island, 232, $1,505; New Brunswick, 287, $1,895; British Columbia, 279, $13,955 or a total of $23,135. I might say this is one item that we would be only too happy to increase. We wish people would take more interest in the destruction of these seals. It would be beneficial to them and to the industry.

Mr. McLure: The bounty is $10?

Mr. Mayhew: $10 for adults and $5 for pups for the maritime provinces.

Mr. McLure: Is there any way use could be made of the oil if they were taken in? I understand that $10 is paid on the snout and that no use is made of the rest of the carcass in any way. Could the oil be extracted? It should be good for something.

Mr. Mayhew: It would be impossible to get them in sufficient volume to be of any use. You get a seal here and there. Before you would get them collected the seals would not be fit to use.

Mr. Adamson: Can the minister tell me how one can get hold of the skin of a hair seal? I will tell him what I have in mind. It is almost impossible to get the skin of the hair seal which is used as a climbing skin in skiing and mountaineering. It has become almost impossible to get them either here or in Europe. I just wondered whether there was any possibility of getting a skin. Several people have asked me about the matter.

Mr. Mayhew: They are processed in Newfoundland and it would be quite easy for anyone to get a skin.

Mr. Adamson: Where?

Mr. Mayhew: From Newfoundland. I have not the address. Any of the Newfoundland people could probably give it to the hon. member. Perhaps the hon. member for St. John's West would like to give it to him.

Mr. Browne (St. John's West): I shall be pleased to give the hon. member the address.

Item agreed to.

Fisheries research board—

156. Headquarters administration, $92,794.

Mr. Balcom: Mr. Chairman, it is pleasing to hear coming from the opposite side such words of praise for the Minister of Fisheries and his staff. Just recently some 50 members of the house had an opportunity to visit Halifax and the experimental station down there under the leadership of Dr. Beatty and his staff and Mr. O. F. Mackenzie. We should like to commend the minister and the deputy at this time for the fine work that has been done.

Does the minister consider that we are making satisfactory progress in the prevention of bacteria spoilage that normally occurs in fish?

Mr. Mayhew: I would not like to answer that question; I do not know. We are doing the best we can. I do not think we will ever get to the stage where we will be satisfied with what we are doing.

Mr. Browne (St. John's West): Yesterday I received a copy of the annual report of the fisheries research board of Canada for 1951; I spent most of last night reading it, and I found it very interesting. I would certainly like to compliment the fisheries board on the very fine report they put out and on the work they are doing. I notice that on page 5 it is recommended that a much larger ocean-going vessel is urgently needed for work on the banks in northern waters. Is it the policy of the government this year to have that vessel built?

Mr. Mayhew: We have some money in the votes for the plan of a boat, not for the actual construction. We shall have to wait until next year for that.

Mr. Browne (St. John's West): I notice also that the department purchased a building in St. John's from the provincial government. Has the minister the price of the building? Can he let me know what it cost?

Mr. Mayhew: It would be in the Department of Public Works.

Mr. Browne (St. John's West): The minister does not know?

Mr. Mayhew: It would be in the votes of the Department of Public Works.

Mr. McLure: A year or so ago research work was done with reference to scallop beds in Prince Edward Island. There was a great fanfare of advertising about it. No one knows where the scallop beds are. They found them, of course, but I cannot find anything about them. Many people are asking where the scallop beds of Prince Edward Island are. Where did the research board locate them? If the minister has the information there, it would be well to put on record where they located the beds.

Mr. Mayhew: I have not the information here in presentable form, but I shall see that the hon. member gets the details.

Item agreed to.

Fisheries research board—

157. Operation and maintenance, $1,759,395.

Mr. Catherwood: I have a few remarks to make in connection with this item. I ask the minister not to overlook the problem of the inland fisheries of Canada. I notice by the twenty-first annual report of the Department of Fisheries that landings dropped 18 per cent, or something like 25 million pounds of fish, in great lakes waters, and the catch of both whitefish and pickerel declined significantly. I realize that this is largely a matter that comes under provincial jurisdiction. Nevertheless it is a very important industry to the inland part of Canada, and I hope the minister and his department will give every co-operation and assistance to the departments of fisheries of Ontario and the other provincial governments in this matter, and particularly in the matter of research. I believe the department at Ottawa can make a real contribution to research in inland fisheries.

Mr. Nowlan: I notice there is an increase of $264,897 in this item. Will the minister tell us how much of that is owing to statutory increases in salaries, and how much to increases in staff?

Mr. Mayhew: The sum of $191,525 is salary and wage increases; special services, $3,270; travelling expenses, $29,000. The other large items are repairs and upkeep of buildings, $18,000, and repairs and upkeep of equipment, $20,000; and other miscellaneous items totalling $276,000.

Mr. Browne (St. John's West): Is any assistance or encouragement given to the use of nylon in fish traps in Newfoundland?

Mr. Mayhew: I am told that we have done no experimenting in nylon traps to date.

Mr. Browne (St. John's West): I understand that one fish merchant down there was in communication with the officials of the research department about making experiments along that line, because they are very much lighter and I believe they give longer life. It might be worth while for the research board to consider using them.

Mr. Mayhew: Yes.

Mr. Browne (St. John's West): I understand from the report that they have been used in the salmon fishery.

Mr. Black (Cumberland): I presume my inquiry will come under this item. I want a statement from the minister, if he will give it to us, as to what development there has been in the last year in propagating oysters. In northern Nova Scotia and especially in Prince Edward Island we have I suppose the best natural oyster beds anywhere in the world. The department did undertake to establish an oyster bed in my constituency of Cumberland, in the Malagash and Wallace area, but I was very much disappointed at the headway the department was able to make according to the last report I received. This is, as I said, a natural oyster area, and produces the best flavoured oysters in the whole world. It is a very serious reflection on the minister personally, and on his department,

that they cannot make a success of propagating oysters as they should in this natural area of northern Nova Scotia, Prince Edward Island and eastern New Brunswick. Can the minister make a statement as to what has been accomplished during the last year and what is proposed for the ensuing year out of the funds we are now providing?

Mr. Mayhew: I am sorry, but I have no additional information to what I gave last year. I know the St. Andrews' station under Dr. Needler is very interested in this. He is the one who is responsible for it. It was through him that the report was made available.

Mr. Nowlan: I did not get an answer to the question I asked the minister with respect to the increase in costs, but I presume it will appear in *Hansard*. I should like to ask a specific question with respect to the scallop fisheries. I do not expect the minister to have all the details of all the work that is being done by these research boards under this head, but I would draw this matter to his attention. If he can comment on it now, well and good; if not, I should like to hear from him later.

As he knows, the scallop fishery in the bay of Fundy, emanating from the constituency of Annapolis-Kings, is the largest in Canada and one of the largest in the world, and is of tremendous importance to that whole area. Recently a boat operated by his department, and I believe coming out of St. Andrews, has been fishing or dragging for scallops. Instead of using a conventional ring of $2\frac{3}{4}$ inches they have been experimenting with a ring of $3\frac{1}{2}$ inches. I have had this matter up with some of the officials of his department and have been told by them—and I accept their word absolutely—that this is simply an experiment which is being carried on and it may not have any particular merit whatsoever. However, it has caused a great deal of concern to many of the fishermen, because from the information I have received the cost of this new ring would be very much in excess of that of the old ring. I believe the boat operated for about thirty days and they caught about 3,200 pounds of scallops. Scallop fishermen would starve to death if they had to operate a ring of that size. I am well aware of the necessity for conservation, and I agree of course that the department should be taking steps to conduct experiments. But I would place on record the warning that this should be only an experiment, and that no change should be made until there has been careful consultation with those involved. Certainly they are exercised about it at the moment.

Mr. Mayhew: I can assure my hon. friend that that will be done.

Item agreed to.

International commissions—

160. To provide for Canadian share of expenses of the international Pacific salmon fisheries commission appointed under treaty dated May 26, 1930, between Canada and the United States for the protection, preservation and extension of the sockeye salmon fisheries of the Fraser river system, $164,200.

Mr. Goode: Why is there a reduction of $2,150 in this item?

Mr. Mayhew: It is a matter of adjustment between Canada and the United States on a divisible share basis.

Item agreed to.

161. To provide for Canadian share of expenses of the international Pacific salmon fisheries commission to overcome obstructions to the ascent of sockeye salmon at Hell's Gate canyon and for investigating and overcoming obstructions to such salmon at other points on the Fraser river watershed (revote), $8,000.

Mr. Green: I notice the amount is only $8,000 this year. Is that work practically completed, or what is the reason for the decrease in the vote?

Mr. Mayhew: The Hell's Gate project is practically completed. This amount is for maintenance purposes.

Item agreed to.

Special—

165. To provide for the extension of educational work in co-operative producing and selling among fishermen, $80,000.

Mr. Herridge: How is the greater part of the educational work done?

Mr. Mayhew: Work to the value of $46,000 is done at St. Francis Xavier university, $24,000 in connection with the social economics service in Quebec, and $10,000 for the University of British Columbia.

Item agreed to.

166. To provide for administration expenses of the Fisheries Prices Support Act, 1944, $80,625.

Mr. Browne (St. John's West): Would the minister give the committee the final figures in respect of deficiency payments for 1950? I would ask for the information in two lots, namely the amount for Labrador and the amount for shore fishermen.

Mr. Mayhew: The total amount was $1,219,262.55.

Mr. Browne (St. John's West): How much for Labrador and how much for shore fishermen?

Mr. Mayhew: The amount for Labrador was $447,539.36. This item will appear in the supplementary estimates.

Item agreed to.

167. To provide for assistance in the construction of vessels of the dragger and/or long liner type, subject to such terms and conditions as may be approved by the governor in council, $150,000.

Mr. McLure: How much of this assistance is in connection with draggers built for operation in Prince Edward Island? On what terms are they built? What would be the cost?

Mr. Mayhew: I have answered that question several times this afternoon. It is $165 per ton. The subsidy is given by the federal government, and where the provincial governments have loan boards, they give loans. Our subsidies vary, but they run about $6,000, or $6,500.

Mr. Pearkes: None of this is given to the west coast?

Mr. Mayhew: No.

Mr. Black (Cumberland): How many of these wooden vessels in different sizes are being built under the authority of the department, and where? Let me point out that in Nova Scotia, especially in Cumberland county, we have old shipyards, very few of which are still in existence, with a record of constructing wooden ships to sail the seven seas. They were doing that a hundred or a hundred and fifty years ago. Even then they were turning out a quality of ship that could not be surpassed anywhere. How many of these are being built under the authority of the department, and where? Is preference being given to these old shipyards that have survived through the years, even in competition with steel ships? I suggest special consideration should be given to them.

Mr. Mayhew: We have no say as to where they shall be built; the fishermen make that decision. They are not in competition with steel. If the hon. member wishes to have a breakdown by provinces for the last five years, it is as follows:

SUMMARY OF SUBSIDIES

By Provinces and Types of Vessels For Each Fiscal Year

—	New Brunswick						Nova Scotia					
	No.	Draggers Expenditure	No.	Long Liners Expenditure	No.	Total Expenditure	No.	Draggers Expenditure	No.	Long Liners Expenditure	No.	Total Expenditure
		$		$		$		$		$		$
1947–48	7	40,504 20	....	.....	7	40,504 20	....	.....	....	.....	....	.....
1948–49	8	49,392 80	....	.....	8	49,392 80	....	.....	....	.....	....	.....
1949–50	7	44,175 45	....	.....	7	44,175 45	....	.....	....	.....	....	.....
1950–51	3	19,354 50	....	.....	3	19,354 50	1	5,742 00	2	7,521 00	3	13,263 00
1951–52	2	14,236 20	....	.....	2	14,236 20	2	14,064 60	12	68,756 70	14	82,821 30
Totals for All Fiscal Years.	27	167,663 15	....	.....	27	167,663 15	3	19,806 60	14	76,277 70	17	96,084 30

—	Prince Edward Island						Totals					
	No.	Draggers Expenditure	No.	Long Liners Expenditure	No.	Total Expenditure	No.	Draggers Expenditure	No.	Long Liners Expenditure	No.	Total Expenditure
		$		$		$		$		$		$
1947–48	....	.....	....	.....	....	.....	7	40,504 20	....	.....	7	40,504 20
1948–49	....	.....	....	.....	....	.....	8	49,392 80	....	.....	8	49,392 80
1949–50	....	.....	....	.....	....	.....	7	44,175 45	....	.....	7	44,175 45
1950–51	....	.....	....	.....	....	.....	4	25,096 50	2	7,521 00	6	32,617 50
1951–52	4	29,756 10	....	.....	4	29,756 10	8	58,056 90	12	68,756 70	20	126,813 60
Totals for All Fiscal Years.	4	29,756 10	....	.....	4	29,756 10	34	217,225 85	14	76,277 70	48	293,503 55

Mr. Browne (St. John's West): Is there any provision where a conversion is being carried out, let us say from a Labrador vessel to a longliner?

Mr. Mayhew: No. There is no provision for converting old ships.

Mr. Nowlan: Do all the draggers under this item have to operate outside the twelve-mile limit, or are they the ones on which the restriction is placed?

Mr. Mayhew: It depends upon the size of the boat. If they are over 100 feet, they have to operate outside.

Mr. McLure: I do not think I received an answer to my question as to the cost of draggers built in Prince Edward Island. What proportion does the department pay?

Mr. Mayhew: We have no knowledge of the cost of a boat, nor are we concerned with it. We take into consideration only the tonnage. The provincial government making the loan makes the decision on the question the hon. member has asked.

Item agreed to.

168. To provide for assistance in the construction of bait freezing and storage facilities, subject to the approval of the governor in council, $30,000.

Mr. Browne (St. John's West): I notice that in 1950-51 only $5,900 was spent, and that last year $24,000 was to be spent. Is any bait depot or bait storage depot to be built in Newfoundland this year? The hon. member for Grand Falls-White Bay made reference to one at La Scie. Is that going to be built this year? Is any other bait storage depot going to be provided in Newfoundland?

Mr. Mayhew: We have in mind one bait depot in Newfoundland for this year.

Mr. Browne (St. John's West): Where is that to be?

Mr. Mayhew: It has not yet been decided where it is going to be. At the present time representatives of this department, of the departments of Agriculture, Public Works and Resources and Development, and of the provincial government are on a trip through the northeastern part of Newfoundland from Bonavista north to St. Anthony to investigate general resources.

Mr. Browne (St. John's West): Is the minister in a position to say whether small holding depots, such as he spoke of, are possible where it is not considered to be an economic proposition to build the regular size bait depot?

Mr. Mayhew: My understanding is that the smaller holding depots may be necessary in some places, but we are using the *Arctica* for distributing bait. The bait freezing operation is under active study at the present time. It is not by any means turning out as we thought it would, and the cost to the taxpayer is considerably more than we thought it would be or should be.

Mr. Carroll: What are the conditions under which bait freezing facilities will be established? For many years we had a bait freezer at Port Hood operated by a company there. Then a couple of years ago the Nova Scotia government extended its electric power line across the island and for some reason or other it was found that the bait freezer could not be operated. Would it be possible to have something done if the necessary application were made?

Mr. Mayhew: We will review each application as it comes in. The conditions to be met are as follows. There must be proper freezing facilities provided. It must be combined with fishing operations, as the bait operation by itself is not profitable. The need for bait facilities in the area to be serviced must be established. The bait facilities must be refrigerated and of a capacity suitable to meet the needs of the area. These are to be determined by engineers of the fisheries research board.

Mr. Carroll: Was a subsidy agreement entered into in connection with the Cheticamp fishery some years ago and, if so, for how much?

Mr. Black (Cumberland): This is the last item and I should like to place on record two sentences from a letter from one of my constituents in connection with the storm and ice damage. The minister was not able to give a complete answer as to the policy of the government in connection with paying for this damage, and I would just like to quote from this letter as follows:

> The damage suffered was severe. Not only did we lose thousands of traps, but we lost the fishing due to this. We believe that the government should compensate the fishermen and packers of the maritimes as well as they do the farmers of the west when they have a loss.

I wanted to put that on record so the minister will understand the position of the lobster packers in Northumberland strait and Nova Scotia generally.

Item agreed to.

Progress reported.

IMMIGRATION

PRESENTATION OF SECOND REPORT OF SPECIAL COMMITTEE

Mr. Gauthier (Portneuf): Mr. Speaker, may I ask the leave of the house to revert to presenting reports and on behalf of the hon.

member for Essex West (Mr. Brown) present the second report of the special committee on Bill No. 305, respecting immigration.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF MINES AND TECHNICAL SURVEYS

Administration services—

221. Departmental administration, $431,397.

Mr. Prudham: Mr. Chairman, I have a very brief statement that I would like to put on the record at this time.

The several divisions of the Department of Mines and Technical Surveys have a long career of accomplishment in the development of Canada's natural resources. In its several branches we have had and now have men of outstanding qualification who have devoted their lives to the fascinating work of unlocking the storehouse of Canada's resources.

From the discussions that have occurred in this house during the last few weeks I take it that we have quite a number of hon. members who are experts in mining. Those who are not experts are already informed of the work of this department through the publication of the "Summary of Activities in 1951" that has been distributed to all hon. members. If any have not read this publication as yet I would commend it to them, because I think it gives a very concise and complete summary of the activities of our department. This pamphlet was released because of frequent requests from hon. members for information on the activities of the department.

Arising from the rapid expansion of the industry we are now serving, this department has carried out during the last year—and we are planning to carry out this year—one of the largest programs of field work, research work, map making, tests and investigation that we have ever had. Because of the urgent need for minerals that are vital to our defence effort emphasis in recent years has been more particularly on mining and metallurgical problems of economic importance. The work of surveys and exploration has spread out into new areas and has caused an exceptionally large demand for surveys of this department including mapping.

Coupled with this industrial expansion are the requirements of the defence services in

geography, geology, topographical and hydrographic mapping and metallurgy. Much of the assistance given in the discovery of mineral deposits and in developing new mines is indirect, because it is the consistent policy of this department not to compete with or duplicate the services of private industry or provincial governments. However, there are many services that can be properly performed by the government of Canada.

As an introduction to these estimates I just wish to give a brief explanation of the functions of the five branches that make up the Department of Mines and Technical Surveys.

The surveys and mapping branch supplies the fundamental maps on which all surveys and developments are based. The geological survey of Canada provides through maps and reports the geological information derived from field studies which give clues to the mineral-bearing formations and structures. These maps and reports are a prime necessity for the prospector in his search for minerals. The mines branch has as its broad function the development of processes for the treatment of ores and fuels and of methods of use for many industrial minerals. It deals also with metallurgy in reference to requirements of national defence and of industry. The geographical branch established only a few years ago is proving to be a useful service to many departments of government and to the general public. It conducts field surveys in various parts of Canada and compiles topical studies in Canadian and foreign geography. It also is assembling data for the production of a new atlas of Canada. The dominion observatory has several functions which may be listed as follows: positional astronomy for the determination of precise time; stellar physics or the study of the physical processes going on in the atmosphere; terrestrial magnetism; seismology or the study of earthquakes; astrophysics or the studies of the meteors and the physical nature of the stars.

The Department of Mines and Technical Surveys is finding it difficult to keep abreast of the greatly increasing needs of the mining and metallurgical industries and the increased demands for more maps and for more mapping and charting. The department is striving to give the best service possible by concentrating its attention on areas or on problems in the forefront of mineral development, and by giving priority to minerals and problems of current strategic importance.

The hon. member for Peace River suggested that it might save some time and some discussion if I were to give a breakdown of the increase shown in our vote this year. There is a total increase in the vote of $2,803,078. Of this, emergency gold mining assistance is taking $1,300,000. Salary increases and

statutory increases in salary amount to $1,150,000. That leaves a net increase in expenditures amounting to $353,078. That represents only 1·6 per cent increase over the 1952 estimates of expenditure, other than the items mentioned.

The hon. member for Cape Breton South made a reference recently to the work of the geological survey branch of our department. His remarks are reported on page 3280 of *Hansard*. He cites a request that was made through him to our department for an airborne magnetic survey of an area in Nova Scotia for a private company. It is the policy of this department not to compete with or duplicate the efforts of private industry or of provincial governments. Several companies are equipped to do commercial magnetometer surveys. Their services are available to private companies. The geological survey of Canada has conducted airborne magnetometer surveys since 1949. They are conducted, however, on a broad regional basis, and in no case has a survey been undertaken for an individual enterprise in competition with private consultants or operators.

The airborne magnetometer is to some extent still an experimental device. The policy of this department has been that of investigating the greatest possible number of geological formations over wide areas, in order to study and appraise the value of the results obtained and to correlate the results with the known geological and geophysical data in the areas. Our activities to date in this regard have been in the regions where known geological and geophysical characteristics are most favourable for correlation of results.

Mr. Adamson: I do not suppose that ever before in the history of the human race has such a challenge been put to so few people, Mr. Chairman, as the challenge which the development of our natural resources puts to the 14 million of us who call ourselves Canadians. The possibilities of mineral development in Canada absolutely beggar description. Never has any country shown so much of what lies under its surface as has Canada in recent years, and it is becoming more and more of a challenge to us as new instruments of recovery are developed and perfected.

Before going on with my rather brief remarks, because as I have said this subject is probably as important as the development of the Atlantic pact, I should like to say that our civilization has progressed at a geometric rate. The stone age took many hundreds of thousands of years; the bronze age took a few thousand years; the iron age took a few hundred years; the steel age could possibly be measured in decades, and the atomic age which we are in now could be measured in years. I do not speak tonight as a technical man. Long ago I gave up my practice as an engineer. I speak as a citizen of a country that is just on the verge of becoming one of the really great nations of the world, and becoming so because of the development of its natural resources.

At the outset I shall try to give a little credit for the great work that is being done by the scientific, engineering and technical personnel of this department. Today the men who have the skills of the directors of this department are constantly offered remuneration not twice but frequently many times what they are being paid in the government service. I refer to men like Dr. Hume, the director-general of scientific services; Mr. Bell, head of the geological surveys; Mr. Parsons, of the mines branch; Mr. Watson of the geographical branch and Mr. Miller of the surveys and mapping branch. I should like to see some consideration given to the men who have these skills, which are so important to the development of this country, so they could receive rewards for their services at least in part commensurate with what they could command in private industry. The legal profession has the ability to require payment for services rendered, even while the members of that profession are acting as members of this house. I should like to see consideration given these men and all the others who have technical skills which are so vital to us, to ensure that their remuneration is in line with what they could command in private industry.

Turning to the work of the department, I do not think the people of Canada are aware of what has been happening in Canada since the last war. I do not propose to go into the matter in any detail, but I want to give one or two examples of the sort of thing we have developed. There is today a practice which is known technically as shoran which permits the rapid mapping of vast territories by trilateration with a degree of accuracy which is amazing even when compared with the old triangulation system we were taught as students many years ago. I believe that is a Canadian development or one which was largely perfected in Canada. That one development has meant much to the mapping of our country, particularly to that part of it which lies more than 100 miles away from the United States boundary, that part of the country upon which our economy must more and more depend.

Then I come to an example of the difficulty of geological survey work. I think I will read part of this report to the committee because it gives some idea of the tremendous job the geological survey are attempting to

do and are doing in Canada. It is at page 19 and concerns the development in British Columbia. It states:

> On account of the rugged terrain and accessibility factors, geological mapping of a standard Cordilleran map sheet bounded by two degrees of longitude and one degree latitude, requires a minimum of four years, which is twice the time ordinarily required for an equal area in other regions of Canada.

Not only does it require more time; it requires different equipment and more machinery and devices which have been developed by the scientists of the department.

The challenge that faces us is so tremendous that it staggers the imagination. I will just give one or two examples. I cite the metals tantalum and columbium which are essential in modern industry and which up to now have been available only in Nigeria, Brazil and the Belgian Congo. Five geologists detailed to do investigation work in the Yellowknife and Great Slave areas conducted detailed investigations at Great Slave lake; and there is a possibility that, through the work of these five geologists, this continent may become self-sufficient in those important metals. Then there is the discovery of a deposit of base metals at Campbell Chibougamau which has recently come into such prominence. That is another example of the work that is being done.

I do not propose to go further into this matter of our geology, Mr. Chairman. I do not propose to deal, except briefly, with the job that is being done in the mine dressing laboratories. The difficulty about the huge variety of different types of ore which have been developed in Canada is that they are useless unless a method of extraction can be developed and made commercially profitable. The ore dressing laboratories have done a splendid job in this regard. We who benefit by the economy of Canada owe to these scientists a debt which I think is greater than we at the present time realize.

I want to say, however, that there is one warning which should be heeded, and I think the minister brought it out when he spoke. These men who are doing this work, particularly the work of the geological survey, are making reports of a scientific nature. When those reports are completed they are of the utmost value to all the people of Canada. But those reports are the responsibility of the geologists, surveyors and technical men who prepare them. Under no circumstances should they be released until the technical men in charge have finished with them. There should be no such thing as prior information. I have seen these parties working. They say, "We hope we do not discover an ore body." I think they have been extremely accurate and ethical in the way they have presented their reports. But there is the danger that these reports receive publicity before they are finalized. I think that is one of the difficulties and one of the dangers we must guard against, in view of the tremendous amount of work that is being done at the present time.

If there is any criticism of this department, it is this. I feel that the $1,300,000 extra expenditure under the Emergency Gold Mining Assistance Act should not be an expense against the department. That is an expense directly caused by the policy of the Department of Finance. The increase in salaries I agree with; but I should have liked to see that $1,300,000 expended on more surveys, on more geophysical work, on magnetometer work and on the discovery of more anomalies and new techniques throughout the country. As I tried to say when I began, the rate of development in Canada today absolutely defies description. It offers a challenge that no other people have ever faced, and the work cannot proceed fast enough. We are on the threshold. If we have the wisdom, if we have the political ability not to destroy the heritage which is offered to us, we can become one of the great powers because of our heritage of natural resources and particularly because of our heritage of mineral resources for which this department is responsible. I only hope we can accept that challenge and be prepared really to develop the country as the picture is just unfolding before us.

Mr. Dumas: Under this departmental administration item I understand that hon. members can make general remarks and comments and ask questions, if they wish to do so. I should like to congratulate the minister and his staff on the excellent idea of publishing a summary of the activities of his department. I wish also to congratulate the deputy minister and the directors of the different branches on having made this report available soon after the end of the year. Under the title "Geological Survey of Canada" we see a very clear and concise report of the work which has been done during the last year.

I should like to bring to the attention of the minister one of the desires of the prospectors of my district. Following the work done by those who are in charge of the different parties going out every summer to make a geological examination of the rock formations in the different parts of the country, preliminary blue line plans and preliminary reports are made available to those who are interested. Later a final

coloured plan and final report are also made available to the prospectors, to the mining companies and to all those who are interested in looking for new mineral discoveries. Prior to two years ago, in our district those maps and reports were made available to the prospectors through the offices of the various mining recorders, and they were distributed free of charge.

Since that time a prospector who wishes to have a map has to fill out a card and send it to the department. If the prospector is not in a hurry that is all right, but if the prospector wants the map in a hurry, then I think it is a big disadvantage to have to send to Ottawa to get it. I would suggest that the minister consider very seriously the possibility of going back to the old system of having those maps available in the offices of the mining recorders in all the provinces.

We have good reason to ask for that, and I shall cite only one example. Three years ago a very important discovery was made not far from Amos in the constituency of Chapleau. That discovery today is the Barvue mine. This mine will be in production within the next month or two. When the discovery was made the prospectors were interested in staking some ground surrounding that discovery. In order to make their staking as profitable or as practical as possible they naturally wanted to get some information on the geology of the district. The only way for them to get that information was to secure a map which would show the geology. If they had had to write to Ottawa to get the maps it would have taken probably four or five days or maybe a week, and by the time they received the map there would have been no ground available in the surrounding district, because a week after the discovery the whole of one township was staked and more. Therefore I would suggest to the minister that we go back to the old system, even if the department has to charge a nominal sum for those maps. I think we would render a great service to the prospectors by making these maps available through the mining recorders in the different districts.

The work being done by the geological survey branch of this department is really No. 1 work, and I wish to congratulate those who are associated with it. Many reports and maps are being published, and I see no reason why those maps and reports should not be made available to those who are really interested in them. Moreover I think it is the aim of the department to do everything it can to encourage the development of our natural resources. I am sure that if we went back to the old system of distributing those maps and reports, even if there had to be a nominal charge, everybody would be happy and more satisfied.

Mr. Gillis: I know the minister does not want to hear long speeches, and most of the members do not want to make long speeches at the present time. Everybody is tired of talking and of listening, but I have a few remarks I want to make on the estimates of this department. This is one department that it seems to me has been somewhat neglected in the past as far as discussion in the house is concerned. The estimates always went through very quietly; but new activities are being undertaken by this department as well as by others; we are becoming better acquainted with them, more services are demanded, and so forth.

When he opened the discussion of his estimates the minister stated there never was a time in the history of Canada when there was a greater search for or a greater need of minerals than at the present time. I agree with that statement. He made reference to the few observations I had made in the debate on the amendment of the leader of the opposition which dealt with the question of international markets. I am not going to go into what I said in any great detail, except to say that the action of the department in respect of my request was anything but satisfactory.

The minister has said that it was a request from a private company. It was not a request from a private company. The fact of the matter is that the people who made the request were prospectors. They had all of their analyses made and the property was practically proven; but the capital available to form the company could not be obtained until the magnetic survey was completed. That was what was required by those who had the money and were quite willing to put it into the property. But the person who had the lease on the property at the time, and who over a period of some four years did the prospecting, unfortunately died within the last month. His wife still resides in North Sydney. I do not know whether or not she is interested in going forward with the project.

The person in question, Mr. H. W. Taylor, was a prospector who had spent about four years of his time in prospecting the area. He had leased some 57 square miles from the provincial government, and was in touch with an English company that had taken some of the samples. They had agreed that if the property was developed there was a market in England for about a million tons of the ore per year.

I sent all the correspondence to the minister's office, and I was disappointed to learn that the survey could not be made in Nova Scotia. They did not have the necessary equipment. In view of the search for minerals now going on, and the amount of time this man and his wife had put into proving the property, I felt it was not unreasonable to ask the department to use the equipment they have to complete the survey, always having in view the possibility of developing another industry in the maritime provinces, particularly when industries are so badly needed there.

The answer I received was that surveys of that kind were not undertaken for private companies. Perhaps I would be prepared to agree with that proposition. But this was a company in the embryo stage. The survey was necessary in order to enlist capital in the company. Had that been done I am sure the rest would have followed automatically. I was disappointed by the position taken by the minister because, in reality, these two people were prospectors who had a good chance to form a prosperous company, if the survey had taken place.

It did not take place, and I would hope that the department might take a further look into the matter. I can well understand that it cannot send this type of equipment all over the country at the request of any little company that thinks it may have a prospect. That would not be reasonable. On the other hand I believe there should be enough flexibility in the administration of the department to take a look at that kind of proposition, particularly where there are extenuating circumstances involving two people of this kind who spent four years in prospecting. According to the letters and other data I have seen this was a pretty good prospect. Nevertheless, at some time in the future some other, bigger company may undertake the work.

While I am critical on this particular point, let me say that I have had pleasant experiences in dealing with another section of the minister's department. I refer to that section in which chemical analyses of minerals are made. I have had a good deal of this work done in that branch of the department, and I have always found it courteous and efficient. I would refer particularly to Mr. J. A. Fournier with whom I had the pleasure of doing business. There is no difficulty in getting the work done when it comes within the scope of that particular branch of the department.

The fact remains, however, that in respect of this survey matter I was somewhat critical. I think a mistake was made, and that it might well be corrected the next time we have to go at this sort of thing. We learn from our mistakes. I believe we lost a company there through not making the survey available when it was required. That is all I have to say on that score.

My main reason for speaking this evening is that I am still interested in the Nova Scotia coal industry, and there are one or two things I would like to say about it. First of all, I was disappointed in a recent appointment made to the board. That was the appointment of another coal operator. I have nothing against the appointee, except that he is a coal operator. This board was recommended by the Carroll commission following its survey of the coal industry in Canada. The recommendation to establish the coal board was contained in the minority report of the commission, written by Mr. A. J. Morrison, whom the minister knows well and who comes from Alberta.

Had it not been for the unions which had pressed for the commission in order to iron out the difficulties of marketing and the future development of coal, there would not have been a coal board. The case for the board was made by the unions, and the recommendation for its establishment came from the secretary-treasurer of the miners' unions in Alberta.

For that reason I say those who dig the coal are entitled to representation on the board. When it was set up I complimented the government, and pointed out I thought it was a move in the right direction. It would result in a central body having administration over subventions, regulations, marketing and all that sort of thing. I thought it was bringing skilled organization into the field and would bring sanity to the coal industry, because it was in a pretty haphazard condition from province to province.

Well, the board was set up. When it was established the late D. W. Morrison was appointed as the representative of labour. The other members on the board were either coal operators or coal importers. We went along with that without making much protest. My view always was that it should have been divided fifty-fifty as between operators and those who dig the coal, with an independent government chairman to act as referee.

Instead of having equal representation on the board, when Mr. Morrison, the labour representative, passed away another coal operator was appointed in his place. In my opinion it is a coal board no longer; it is now a coal operators' protective association, and can be used for that purpose. The interests

of most people and most organizations are selfish; and it is only natural to expect that the coal operator on the board will be thinking of his own interests. But another person is interested, and he is the man who digs the coal. In my view he is entitled to at least some representation. I hope the minister will rectify that mistake when he gets a chance, because it is a mistake.

The man who digs the coal had some respect for that board. I never heard much criticism of it. It was always thought to be doing a good job. Now we know something about subventions, where they are going and what amount is being paid. But their representative was taken off the board and replaced by another coal operator. The picture has changed and there is a lot of resentment. It may be a small thing to the minister or the department, but it is a big thing to the man who digs coal in Alberta, in British Columbia or in Nova Scotia. He feels that the one man who could speak for him on that board was removed and replaced by a coal operator. Perhaps the minister could be excused because he has only recently taken over the department. Perhaps the minister has never rubbed shoulders with that kind of thing and does not realize the psychological damage that was done to the coal miner when the labour representative on the board was removed.

The last annual report of the department indicates that considerable attention is being paid to research and that sort of thing in connection with the coal industry. Plans are being made to find other uses for coal. However, as far the the Department of Mines and Technical Surveys is concerned, there does not seem to be much co-ordination between it and the users of coal, the Canadian National Railways, for example. The estimates indicate that $120,000 is being provided to McGill university for the purpose of developing a coal-fired turbine engine, and according to the departmental report this experiment is expected to be finished by the end of this year at which time we may have some idea what value there may be in such an engine.

Instead of the Canadian National Railways waiting to see what was going to be developed, Mr. Gordon told the committee a few weeks ago that they had a program for the complete dieselization of the Canadian National Railways—that is to use oil—which it is expected to be completed in the next five years. He stated that no more steam locomotives are being manufactured in North America, but that is not true. I have had some correspondence recently with a fairly large United States company which claims that it is putting out a good type of coal-fired engine which compares favourably with the diesel.

What I am complaining about is that this government agency is rushing ahead as fast as it can to stop using coal on the Canadian National Railways. At the same time the Department of Mines and Technical Surveys are carrying on research to see if an engine using coal cannot be developed to operate just as efficiently and economically as a diesel engine. I think Mr. Gordon could well have carried on his program from Toronto west to a certain point and then gone rather slowly with dieselization east of Montreal.

The coal industry is most important to that part of the country, particularly to Nova Scotia. The C.N.R. market is around 288,000 tons per annum, but according to Mr. Gordon, at the end of five years that market will be pretty well wiped out. As I say, that is the main market for Nova Scotia coal.

Then we must consider natural gas. The government is granting a franchise to a company to pipe Alberta gas to Montreal and Quebec city. That gas will replace coal, not only for domestic purposes but for metallurgical purposes as well, because natural gas can be used in place of coal in any industry except basic steel. All these developments are taking place with the sanction of the government. At the same time the government is carrying on research to perpetuate the coal industry and make it more efficient. They are putting $7,500,000 into a mechanization program for Dominion Steel and Coal. However, there is no over-all planning as far as the industry is concerned. One department seems to be working at cross purposes with the other instead of all these different people sitting down with the Department of Mines and Technical Surveys to see what can be done. In my opinion there is considerable evidence that there is no co-ordination of thinking in connection with this matter which is so vital to the economy of the country.

It is time the Minister of Mines and Technical Surveys asked his colleagues in the government for a little more co-operation. I think this department is trying to do a good job in connection with this industry. The Minister of Trade and Commerce is a pretty long-headed person and I remember back in 1947 he warned the coal operators of this country that if they did not watch themselves, develop their industry, conserve resources, and bring in new techniques, in a few years they might be faced with the kind of thing the coal operators of Great Britain were faced with at that time. I think that is quite true.

Despite all these developments in gas, oil and all that kind of thing, I think we must

realize that for a long time to come there will be a definite place for coal in the economy of North America. I think the minister should ask his colleagues whether there is any future for the coal industry in Nova Scotia. The government has a $10 million investment in the industry in the maritimes which has been made only recently. The government is helping to mechanize the industry, but what is its future? Is Mr. Gordon right in rushing ahead to dieselize the whole system? The economy of this province is being threatened, and at the same time the government is carrying on research on a turbine engine which may be more efficient and economical than the diesel. Is Mr. Gordon in too much of a hurry? What effect will natural gas have when it comes down from Alberta?

I am not against progress, but I do not think it is good sense to destroy the economy of one section of the country in order to make the cost of fuel a little less in another section. We have talked to the Minister of Trade and Commerce and the Minister of Labour about it. After reading this report and looking at these estimates it is evident that the Department of Mines and Technical Surveys is actually coming into its own. These matters have never been treated before as a mining proposition; everything else was dealt with, but not that. Today we have geological operations, research, subventions; all these matters are concentrated in the department. For the first time it is really getting down to business and doing a decent job.

What the minister must do is tell the other departments that they should not work at cross purposes with his. They should all sit down with the coal board and study this whole proposition before they start handing out money for pipe lines and all that kind of thing to offset the work this department is doing. While I am critical of the amount of co-operation we got in connection with the magnetic survey, from my reading of this report—I always read them—I think the department is doing the best job that has ever been done. I believe more members should take an active interest in the department and push it along a little. I do not think there is progress unless we have a little fight once in a while. That is the way we learn, and we keep people on their toes. I am quite satisfied with what the department is trying to do as far as the mining industry is concerned, but I am not satisfied with what a lot of other departments are doing to offset the work of this department. Along with research, subventions and that sort of thing, you are really getting a pretty good picture.

[Mr. Gillis.]

As we look at the estimates along the line I may have a few more questions to ask.

Mr. Macdonnell (Greenwood): Before the minister answers the question of the member for Cape Breton South, could I add something along the same line? I have a communication from Alberta raising the very question which the member for Cape Breton South has raised, whether coal-burning locomotives are a thing of the past. I have here a report of a United States railway, the Norfolk and Western. As has been stated, they are carrying on experiments in coal-burning turbine electric locomotives, and they expect good results. The people in Alberta, though perhaps not so deeply concerned as the people of Nova Scotia because they are not so dependent on coal, are nevertheless concerned.

Before I take my seat I would like to ask one other question which is prompted by the remarks of the member for Cape Breton South. I refer to the inability of the government to assist private enterprise in the case he mentioned. I realize the difficulty, as he did. However, I noticed that in his preliminary remarks the minister said something to the effect that we do not compete with private industry or with the provinces. I understand the sense in which he said that. On the other hand when it comes to a case of some assistance being required it seems to me very unfortunate that it cannot be given.

I realize, as did the hon. member for Cape Breton South, what the difficulty is. He said you could not run off after every query you got. Take on the other hand the Ontario research foundation. Perhaps it went to the other extreme, but its chief purpose was to do scientific work which would directly assist private enterprise. I am not suggesting this department can conduct itself in that way. Nevertheless I find myself very interested in the two questions which the hon. member for Cape Breton South has asked and I thought that before they were answered I might associate myself with them.

Mr. Prudham: Mr. Chairman, I very much appreciate the kind references which hon. members have made to the work of the department. The hon. member for York West made a reference to the shoran method of triangulation. I was very glad he mentioned that, because when our supplementary estimates come up we are going to have a large item for that very purpose. The reason is that during past years, since the war at least, the R.C.A.F. have been co-operating with us in the work. They are no longer able to continue and, as the equipment we have been using is just about worn out, we are going to have to replace it and that will cost

some hundreds of thousands of dollars. We did not know that the R.C.A.F. were withdrawing from the field when our main estimates were printed; therefore it has to come in as a supplementary.

The hon. member for York West also made reference to our ore dressing laboratory. What he said was true I think; and we have one of the most up-to-date and best laboratories of that kind in the world. He expressed a little apprehension lest prior information get out in reports from our department but I think the record of the department speaks for itself. There has never been any known instance of that happening and I am sure it is being watched very carefully.

He had criticism about the cost of the Emergency Gold Mining Assistance Act being charged to our department. We do not particularly resent that because we are responsible for the administration of the act and the money, of course, all comes out of the consolidated revenue fund anyway. I think perhaps it is better for us who are more familiar with mining practices to have responsibility for its administration.

Mr. Adamson: Pardon me, Mr. Chairman, I misquoted a figure. I said $1,300,000 but the actual figure is $10,800,000. I do think it is wrong for that expense, which is really a Department of Finance expense, to be charged to the technical branch.

Mr. Prudham: The hon. member for Villeneuve referred to map distribution. At a recent prospectors' meeting in Noranda I said that we were quite willing to supply maps at provincial mining recorders' offices. My colleagues here tell me that within a very few days the mining recorders in Quebec will have a supply of our maps. We are willing to do that for other provinces as well. The card system was initiated in the first place to keep a better record of the distribution of our maps, but we realize that it has not been very convenient for the prospectors and we are willing to go back to the old method.

The hon. member for Cape Breton South has made further reference to the magnetometer survey that was requested. I think I can put his mind a little more at ease if I tell him that for the particular area that we were requested to survey we have no base maps and without base maps a magnetometer survey is useless. It so happened that this particular area is in a national park or it has been reserved for park purposes—I have not the exact details—but we have not the base maps which are necessary.

As minister of this department I am between the devil and the deep blue sea. On the one hand our department is interested in the development of gas and oil reserves in this country and I am also responsible for the dominion coal board.

Mr. Knowles: Which is which? Which is the devil and which is the deep blue sea?

Mr. Prudham: I will leave that to you. We are endeavouring to keep a fair balance between all these rival interests in our department. Perhaps it is a little difficult at times, but we are putting forth quite an effort to find new uses for coal and better methods of preparation. I have quite a lengthy statement here on the work of the fuels division, especially in relation to the coal mining industry. I think perhaps it would be worth while putting it on the record.

Projects having a direct bearing on the coal industry have pertained mainly to research on underground mine pressures and to coal preparation methods at collieries. This twofold investigation has been and is being conducted both in western and eastern Canada with the objective of studying the economic mining of coal at depth, with special attention to the avoidance of violent pressure "bumps" and "gas outbursts", in order to allow the safe mining of coal at greater depths than is now feasible; and to work with coal mining operators in helping them to clean and improve the quality of their product for the market. Special attention has been paid to the utilization of the finer sizes of bituminous coal which predominate in Canadian mining operations. A dozen mining engineers are now conducting field work in close association with the operators in Alberta, British Columbia, and Nova Scotia.

During the past decade a systematic study of the physical and chemical characteristics of Canadian coals as mined has been carried out. To date the coals mined at 150 different collieries have been investigated, which means that the properties of coals from practically all the larger producing mines have been studied and the results reported. This investigation affords information of great value to the operators in sizing and cleaning their product for various uses.

Other projects of a minor nature of direct assistance to the coal mining industry are the analyses of mine air gases and tests on the inflammability of coal mine dusts. These are concerned mainly with mine safety measures. The publication of the Canadian coal analyses, and co-operation with purchasing agents of government departments in their coal purchases according to quality specifications, has been continued during recent years.

Long term projects, with the increased use of Canadian coals in view, pertain to its use

in a coal-fired gas turbine unit and to producing synthetic liquid fuels by hydrogenation. The objective of the first is to develop a coal-fired gas turbine primarily for locomotive use. If such a prime mover can be produced it will benefit the coal mining industry by retaining part of the coal market that will otherwise be lost to diesel or other types of oil-fired locomotives. The railways will also benefit because coal is generally the cheapest fuel on the basis of heating value.

The general purpose of the hydrogenation project is to investigate and improve upon partly developed methods for converting coal and heavy petroleum oil crudes to high grade liquid fuels. The Canadian reserve of petroleum, which is fast approaching the country's peacetime requirements, would not satisfy the demand if petroleum from the Middle East and South America were drastically restricted under wartime conditions.

Domestic stoker coal and coking investigations should also be mentioned. The increased use of Canadian coal in domestic stokers is under constant study. Installation of an experimental testing unit has been completed, and a series of tests has begun to compare the value of Canadian coals with standard imported coals; and the results are expected to be of assistance to manufacturers of equipment in improving stoker design.

Experiments were recently conducted on the blending of western bituminous coals, particularly from the Crowsnest area, to aid in promoting the increased and more efficient use of Canadian coals for making coke for foundry and other metallurgical uses. With the object of materially improving the physical properties of metallurgical coke for use in blast furnaces at steel plants in the east, the blending of Nova Scotia coals varying considerably in volatile matter content is also being intensely investigated.

In co-operation with the dominion coal board the division of fuels has recently completed a survey of the industrial market for Canadian coals. It has been concluded that there is a market for approximately one million additional tons of these coals a year, provided the coals meet minimum requirements in regard to cost and delivery.

Mr. Blackmore: I was interested in the statement the minister made, Mr. Chairman, but I think what the house wants to know is what the results are. Has the department discovered what are the possibilities now of Alberta coals sharing in the Ontario market, which it would seem that they ought to do both from the standpoint of Alberta and from the standpoint of Ontario in case there should be any interruption in supply from across the line. Of course that is a subject that is of interest to one who represents a coal mining riding, as I do.

Mr. Prudham: I would prefer to allow that question to stand until we reach the coal board's estimates. We are probably straying a little from the subject.

Mr. Blackmore: That will be in the minister's own estimates tonight?

Mr. Prudham: Yes.

Mr. Green: Can the minister tell the committee what the present situation is with regard to the mining of uranium in Canada?

Mr. Prudham: The mining of uranium, of course, is the responsibility of the Eldorado Mining and Refining Company. The tonnages mined are secret, and we have not that information. Our department does work on the treatment of radioactive ores, but we have no information on the mining activity.

Mr. Macdonnell (Greenwood): In his opening remarks the minister said the department was careful not to compete either with private enterprise or with the provinces. Can the minister indicate just what is the line of demarcation between the work of the dominion department and the provincial departments? Is it purely geographical or is it functional?

Mr. Prudham: This department does the over-all geology and map making. The provinces, generally speaking, do the detailed mapping and the detailed geology of local areas, as well as the work directly connected with the mining ventures.

Mr. Adamson: I think the minister might explain how his department works in with the provincial departments of mines. For instance, take the Red Lake survey, which is an Ontario mining map. I think the committee would be interested in knowing the way the country is divided, that is where the Ontario department of mines does the surveying and makes the geological report and where the federal department does it.

Mr. Prudham: There is no definite line of demarcation between the work of the two departments. We are always careful to co-ordinate these efforts. Sometimes one provincial department will be willing or perhaps better qualified to do a certain project and that will be left to them. There are very amicable and cordial relations, generally speaking, between this department and the provincial departments of mines. We do not have any difficulty in deciding which work belongs to whom.

Mr. Adamson: It is said that there is no overlapping. Let us consider a new district like Chibougamau; it is really not a new district but an old district that has come into its own after many years of frustration and trouble. In so far as the general geological surveys are concerned, naturally the department of mines of Quebec has had nothing to do with that district; or is that so?

Mr. Prudham: Generally speaking the basic geology and the basic maps are prepared many years in advance by this department. Then when a discovery is made the province comes into the picture and takes on the more detailed work in connection with the specific area.

Mr. Herridge: I was quite interested in the question asked by the member for Greenwood, because I was going to ask a similar question. I have seen provincial parties doing triangulation work and contour surveys in connection with forest surveys. Then a year or so later along comes a federal party and does triangulation work and a contour survey. Is there any consultation with the provincial departments to stop all unnecessary duplication and overlapping?

Mr. Prudham: The hon. member is referring to the British Columbia government, no doubt, and this department actually prints many of the maps for that government. We try to see that there is no overlapping. We do not know of any.

Mr. Macdonnell (Greenwood): I do not want to press this unduly but I confess it does not seem to me that merely because there is cordiality between departments there is a sensible division of the work. Indeed, if I had taken strictly the words the minister used a moment ago, I would have thought it rather looked as if there were duplication. As I understood it, he said his department dealt with a certain area in a rather more general way, and then the provincial department came along and did it in a more particular way. I am not a geologist and I am not competent to ask the question in any detailed way; but I confess that at the moment I am quite unable to see how there is any sensible line of demarcation as I think there should be and as I hope there is.

Mr. Prudham: Mr. Chairman, I believe there are a few constitutional reasons that probably vary somewhat between different provinces. I do not know those details. I am not versed in that subject. I am told that perhaps British Columbia would have a slightly different set-up because of the terms under which it came into confederation. Generally speaking this department has no direct responsibility for the mineral resources. The province has control of its mineral resources. We are a surveys department. We endeavour to perform an over-all service for Canada and for industry. The province has a primary responsibility for the resources. Generally speaking we work on the over-all geological survey of the country and the preparation of the base maps. The provinces then take over in their own particular areas.

Mr. Macdonnell (Greenwood): Does the minister really mean that the dominion department in effect do what they are asked to do by the provinces? Is it the province which determines what assistance it wants and then it gets it? Is that the system? If that were the system I could understand it. Otherwise I am still left with the fear that there is duplication and overlapping.

The Chairman: Shall the item carry?

Mr. Prudham: Mr. Chairman—

Mr. Drew: Before the minister answers that question, may I raise another one related to the same subject. As in every other department, we see a substantial increase in the cost of administration. We are told that the government recognizes the need for some measure of economy. We have not yet been able to see, in the estimates presented by this or any other department, much evidence of that recognition. In view of the declarations that have been made that some attempts are under way to find possibilities of economy, I should like to know whether in fact there has been any careful examination of the many duties carried out by this department in relation to the departments of mines in the provinces in order to see whether there are not ways in which savings can be made by avoiding duplication as between the various departments.

Mr. Prudham: To answer the leader of the opposition first, may I say that is constantly done. We have mines ministers' conferences. The provincial ministers have a meeting at least once a year, at which representatives of this government are present. We endeavour at all times to avoid duplication of effort and expense. I can assure the hon. member that from day to day we are watching everything possible in this department. We are endeavouring to save money at all times and to get the maximum results.

I can give the hon. member for Greenwood an outstanding example of federal-provincial co-operation. It was with respect to the magnetometer survey that was made of Ontario recently and which resulted in the discovery of the Marmora iron deposits and other deposits that are now being investigated. That was a co-operative venture shared by this department and the department of mines of the province of Ontario.

Mr. Fraser: Does that survey also include the deposit in Simcoe?

Mr. Prudham: No; that was their own work in the province of Ontario.

Mr. Drew: I know there has been a large measure of co-operation between the departments in many respects. I know something of the conferences that take place between the ministers of mines. I must say I cannot agree that these conferences ordinarily have anything whatever to do with an examination of the kind I suggest. In view of the fact that the minister has said that these examinations are taking place constantly, can he produce by way of illustration any recent report that would indicate the exact nature of the examination and survey that takes place of the comparative services performed by his department and by the provincial departments?

Mr. Prudham: There is no published report of that type; but every year, before the field season opens, our chief geologist and our director of scientific surveys contacts the various provincial departments and discusses the program for the coming season. They in turn state their plans. Their over-all season's work is planned in that way.

Mr. Drew: Mr. Chairman, I think the answer is simply that there has been no real examination of the possibility of avoiding duplication. I say that in view of the fact that requests have been made for some time for an examination of the various departmental activities. I know this matter was under discussion some years ago. I have not been able to find anything in the nature of a real examination of the functions of the department. Even if only a few thousand dollars are saved, I think the time is overdue for a rationalization of the functions of a dominion department and a provincial department where they occupy the same field. I am saying that in relation not only to this department but in relation to other departments where they occupy the same fields. Can the minister explain to us just exactly how this examination has been carried out, if in fact examinations of that kind have been carried out in recent months or years?

Mr. Prudham: In Canada we have a national advisory council consisting of representatives from each provincial government, from all the main universities, from the federal government and two from industry. They talk over this very problem. They meet at least twice a year. While they have no official authority they act in an advisory way to all governments concerned.

Mr. Drew: So that we will know what is being done in order to effect some economies —even though they be only a few thousand dollars it would be helpful—can the minister refer us to any recommendations from this advisory council with regard to any details that have been put into effect for the purpose of producing economies by the avoidance of duplication?

Mr. Prudham: I think such a report could be made. I do not know of any concise report that is available at the moment.

Mr. Drew: I simply bring these remarks to a conclusion, Mr. Chairman, by saying that from the answers that have been given I am satisfied that such an examination has not been made. All I can do at this time is urge the minister to adopt the same course that would be adopted in ordinary business practice where different companies are associated in a similar business and where, invariably, they have a careful examination made to see that there is avoidance of duplicating services.

In this instance we have a department which is occupying in some measure one of the fields that under our constitutional allocation of authority is under the jurisdiction of the provinces. That does not apply to every department. It does apply to this department; it does apply to the department of health. It applies to several of the other departments, and I can only urge in all sincerity that a real effort be made to examine most carefully into the functions of the department and see whether savings —and substantial savings—cannot be made by rationalizing the relationship of these departments.

Mr. McCann: After listening to the remarks of the leader of the opposition with reference to this department I am going to make a few observations, because I feel that perhaps I have a little background in connection with this department.

I was the first minister when the department was organized. I will admit that I was perhaps a little sceptical, too, as the leader of the opposition is, that there might be duplication of services as between the Department of Mines and Technical Surveys and the various departments of mines of the different provinces. After a rather thorough examination I was convinced that such condition did not actually exist.

If one goes over the history of the old department of mines and resources he will find that mines was one particular branch of it. I can give the committee illustrations to indicate the great advantage that has been enjoyed by this country in the development of its natural resources because of the fact that the mines branch existed.

Before me here this evening is the director of scientific services who as a young man, twenty-five or thirty years ago, was out in the province of Alberta on geological surveys for a number of years, and to him and to his staff more than to any other group of people in this Dominion of Canada may be credited today the wonderful development that is going on at this time in the Alberta oil fields. Had it not been for the fact that geological surveys were made in that province thirty years ago and the mapping was done, there would not be the development there is today in the province of Alberta.

The function of the department lies in finding out where these resources are, in presenting maps that geologists and prospectors may use. I will give a typical example, which is a true one. Years and years ago in the Eldorado district where the present great deposit of uranium is in this country, maps were made and it was indicated, and it was on the records here in Ottawa, that there was a deposit of uranium in that country. Gilbert La Bine, who organized the Eldorado Mining Company as a result of that map, went into that country and found and developed one of the greatest resources we have in Canada today, a resource which was taken over by the government of this country at a time when it was very urgently needed.

The function that has been carried out for years is for the Department of Mines and Technical Surveys to make these geological and geodetic surveys, to prepare the maps which are freely available to any citizen of this country who is interested in the development of the mining resources.

The function of the provincial people is mostly in the line of development. These resources belong to the provinces. They have been developed by the provinces. In the province of Ontario the great development that took place in the Cobalt country, in Kirkland lake and in the Porcupine; the development in northwestern Quebec, where hundreds of millions of dollars have come into the coffers of the people of this country, have been the result of the initial surveys and developments of the department of mines of the federal government.

Do you know what the mineral wealth of this country is at the present time? Last year $1,200 million of new wealth was taken out of the ground in Canada. That is growing yearly, and the time is not far distant when wealth to the value of $2 billion will be developed from the mining and oil industry of Canada. I submit to you, Mr. Chairman, that the money spent by this department is well spent. True the costs of administration may have gone up. They have gone up in every government department. Why? Because of increased wages, because of the fact that all the materials which are being used have increased in price, because of the increases in staff and in highly paid technical people who are necessary in order to carry on this work. For instance, take the hydrographic surveys. We are mapping the seas of this country, mapping out where the fishing areas are; and in times of war or potential war these hydrographic surveys are of great benefit to this country for our own protection. It is costly to maintain ships, as they do in the Department of Mines and Technical Surveys; therefore costs must necessarily go up.

Without speaking at any greater length, Mr. Chairman, I must say I cannot agree with the leader of the opposition. I feel that perhaps he is not as well informed as he might be with reference to the function of the various departments provincially and federally. But the Department of Mines and Technical Surveys federally are doing the fundamental work, the a, b, c work, with reference to the development of the resources of Canada, and in the main the provinces are reaping the benefit.

Mr. Drew: It would be easy to agree with and support most of what the minister has said except the wholly unnecessary concluding remarks; because the minister was nearly correct in most of what he said.

The fact is that the development of mining in this country has been remarkable and a challenging story of development. Nothing that I have said in any way changes that. In fact what I have said on numerous occasions in this house and elsewhere is that there is no more challenging story in Canada than the story of mineral discovery, very largely related to the information which has been made available through the various departments in regard to mineral possibilities. I would ask the minister, however, simply so that a very remarkable story shall not be confused, to check back on his story about Gilbert La Bine, because it was an even more remarkable story than he has indicated. It was remarkable because of the fact that there was no accurate map at the time he made the discovery. The maps we now have which show the location of the Eldorado mine are, as a matter of fact, the result of the work done under another estimate which will appear later, which provides for the photographing of the great territories of this country where other kinds of mapping may not have taken place.

Mr. McCann: It was indicated long before that, because Gilbert La Bine told me himself.

Mr. Drew: Yes, it was indicated in 1780, which was long before this government came to power, and it was actually on a map drawn by Hearne at the time he made a trip down from Coppermine through that area. I am not saying this facetiously. I am saying it because I believe it is one of the most remarkable and challenging stories in our mineral history. Samuel Hearne recorded seeing evidence of mineral outcroppings at what later turned out to be the very point where Gilbert La Bine discovered what became the Eldorado mine.

I am not raising this by way of criticism. I am only saying that it is a fantastic story, and that the Department of Mines and Technical Surveys itself can claim great credit for the fact that after discovery was made, through co-operation with the air services very accurate maps of that whole tremendous mineral area were prepared by air photography. What I do want to emphasize is this. No one is more convinced than I of the immense possibilities of mineral development in this country. This department has been doing excellent work for many years, before there were departments of mines in some of the provinces and in fact before some of those provinces had established claim to these resources. This department is doing excellent work today. Throughout the years the men who have served the department have established a name for devotion to service, and highly efficient service, that is recognized throughout the world. No one would be more anxious than I to make sure their services are recognized. I am not talking about the efforts made by individuals; I am not talking about individual devotion to service; I am not talking about the great achievements of the Department of Mines and Technical Surveys. I am simply suggesting that in this huge business of government under a federal system, where departments are occupying the same fields, in the light of the excellent things that are being done, and of the increased responsibility, there should be an attempt to save money where money can be saved. I suggest that an effort be made to get the departments together and examine the possibility of co-ordinating their activities in a manner that will make it possible to perform their service on the most economical basis.

Item agreed to.

228. To provide for payments to McGill university in connection with the development of a coal-fired gas turbine, $120,000.

Mr. Browne (St. John's West): What progress has been made in this project?

[Mr. McCann.]

Mr. Prudham: The experiment has progressed to the point where they are constructing a working model. It is hoped that before the end of the year it will be in operation for the first time.

Item agreed to.

Geological surveys—

229. Administration, operation and maintenance, including the expenses of the national advisory committee on research in the geological sciences, and an amount of $2,200 for Canada's share of the cost of the committee on mineral resources and geology, London, England, $2,202,873.

Mr. Browne (St. John's West): How many geological survey parties will be out in Newfoundland this year?

Mr. Prudham: Hon. members will be interested in their respective provinces, so I shall place the full information on the record. In the Northwest Territories there will be 6; in Yukon Territory, 6; in British Columbia, 15; in Alberta, 8; in Saskatchewan, 5; in Manitoba, 4; in Ontario, 6; in Quebec, 6; in Quebec (Labrador), 4; in New Brunswick, 3; in Nova Scotia, 3 and in Newfoundland, 7.

Mr. Green: How many of those parties are out on oil and gas territory?

Mr. Prudham: There are 5 altogether.

Mr. Green: In which provinces?

Mr. Prudham: There are 4 in Alberta and 1 in Ontario.

Mr. Green: Is any survey work of this type being done in British Columbia, Saskatchewan and Manitoba?

Mr. Prudham: We have a regional office in Calgary which is co-ordinating all the information in respect of wells being drilled on the prairies, including the Peace river section of British Columbia. They keep a record of all cores, and that record is kept up to date.

Mr. Green: What is the connection of this department with the operations of the Emerald tungsten mine in southern British Columbia?

Mr. Prudham: We have nothing to do with the operation of the mine, but we are doing work on the metal recovery, in which we are trying to increase the yield of metal from the ore.

Mr. Green: Does the department have any working arrangement with the Department of Defence Production in connection with the production of strategic minerals?

Mr. Prudham: Yes, we have special arrangements. The men in our department act in an advisory capacity, on occasions. We have two on loan at the present time for that purpose.

Mr. Adamson: What is the procedure when a prospector finds radioactive ore? What does he do, and how does the department help him? Some years ago it was believed that thorium, which is a radioactive mineral, was not known in Canada. Have any deposits of thorium been discovered in this country, and what is the procedure when radioactive thorium is discovered?

Mr. Prudham: Our department has published a booklet intended for the use of prospectors, and I should be very glad to send my hon. friend a copy of it.

Mr. Adamson: I am familiar with that booklet. However, I believe the committee would like to have more general information because we know that, in connection with the geology of Canada, there is now an amazing variety of places in which radioactive deposits have been located. These have been found where, years ago, it was never expected they would be found. I believe a short general statement of what should be done would be of interest to the committee. Not only are the prospectors interested, but others are also interested because radioactive ore has been discovered in places we never dreamed of looking even as recently as the close of the last war.

Mr. Prudham: Our geological survey maps indicate where uranium is likely to be found. We also keep an inventory of radioactive properties. We send a geologist around every year to inspect all newly reported discoveries. If the hon. member wishes I could furnish him with more detailed information, but at the moment I do not have it with me.

Mr. Adamson: Has thorium been discovered to any extent in Canada?

Mr. Prudham: I am told that thorium is known to exist in the Wilberforce area of Ontario. As there is no general use for the mineral at the present time there has not been very much interest in it.

Mr. Green: Is the geological survey branch working toward a complete geological map of Canada? Is that a long-term process?

Mr. Prudham: We are working to that end, but it will take many years.

Mr. Green: I am not questioning the value because I know it is of great value, but I understand it is hoped eventually to have the whole country surveyed geologically.

Mr. Prudham: Yes, but it will take many years. I cannot say just how long. The same is true with the hydrographic survey, which may be going on for hundreds of years.

Mr. Green: I believe there was a commitment to conduct a geological survey of Newfoundland. What progress is being made?

Mr. Prudham: At the present time we have seven field parties working which are concentrating on a strip across the centre of the island from coast to coast. We are making as rapid progress as we can.

Mr. Browne (St. John's West): I notice there is an increase from $15,000 to $148,200 for the charter of aircraft, and I was wondering if that is explained by the aeromagnetic survey?

Mr. Prudham: A large part of that increase is accounted for by a special project of a helicopter survey from the east end of Great Slave lake to Hudson bay. This will be over virgin territory about which little is known. We think it is a highly mineralized area which may have prospects in connection with strategic minerals.

Mr. Browne (St. John's West): Is that an aeromagnetic survey?

Mr. Prudham: No, it is just a preliminary geological survey.

Mr. Fraser: The minister mentioned radioactive ores in the Wilberforce area in Haliburton county. I understand that those ores are nearly as good as the Eldorado ore. They tried to get the government interested but they seemed to give them the cold shoulder, from what I could make out.

Mr. Prudham: Our information is that the deposit is partly radioactive thorium. The mineralogy is not fully understood as yet.

Mr. Browne (St. John's West): Are the specimens in the museum kept up to date and is there sufficient space for specimens from the newer discoveries?

Mr. Prudham: The museum comes under the Department of Resources and Development. I know they are crowded for space. We keep only representative samples there at the present time. We would like to do more, but I believe they are severely cramped for accommodation.

Mr. Browne (St. John's West): Is there any place in the country where all the specimens may be seen?

Mr. Prudham: No.

Mr. Adamson: I would hope to see the day when the geological survey branch and its staff are removed completely from the museum. Despite the drive for economy I think this is necessary as the poor old museum is having a pretty sick time of it.

Everything is cramped, most of the specimens are stored and as far as I can see will be stored for all time. It is like an iceberg; there is more underground than can be seen by the public. On the whole I think it is rather tragic. Perhaps when our expenses for national defence decrease there may be some improvement in that connection. That is a goal toward which we can work. What research is being done in connection with permafrost? I understand that some work is being done along this line which I believe would come under the geological survey.

Mr. Prudham: We have one project at Resolute Bay where they are diamond-drilling to find the depth of the permafrost. With regard to my hon. friend's earlier remarks, I must say that this branch is sadly underhoused. We need a geological building where we could display the samples and efficiently carry on many other operations. If we get an estimate for a new building past the treasury board some day I hope my hon. friend will support us.

Item agreed to.

Surveys and mapping branch—

231. Surveys and mapping branch administration, $40,796.

Mr. Browne (St. John's West): Does the department have anything to do with determining the boundary between Quebec and Labrador?

Mr. Prudham: This department carries out boundary surveys at the request of the provinces, but up to date we have had no request for that particular survey.

Item agreed to.

Canadian hydrographic service—

234. Administration, operation and maintenance, including Canada's annual contribution of $5,750 to the international hydrographic bureau, $2,083,822.

Mr. Browne (St. John's West): Is it proposed to conduct any surveys in Newfoundland waters and, if so, where will they be conducted?

Mr. Prudham: In Labrador, Battle Harbour is a defence project and Hopedale is a further defence project. In Newfoundland, Placentia Bay, a defence project; Conception Bay, also a defence project; Newfoundland harbours, a resources and industrial development, plus general naval requirements.

Item agreed to.

237. International boundary commission—administration, operation and maintenance, $61,292.

Mr. Knowles: What are the present functions of this commission?

[Mr. Adamson.]

Mr. Prudham: The purpose of this vote is to enable Canada to fulfil her treaty obligations of maintaining the international boundary in a state of effective demarcation. This includes the clearing of boundary vistas, the repairing and resetting of monuments, the maintenance of boundary range lines, etc. as required under the treaty. Some 5,600 miles of boundary line between Canada and the United States and between Canada and Alaska are involved.

Mr. Fraser: They ought to put up "no smuggling" signs.

Item agreed to.

238. Legal surveys and aeronautical charts—administration, operation and maintenance, including a grant of $350 to the Canadian Institute of Surveying and Photogrammetry and the expenses of the board of examiners for dominion land surveyors and payment of fees of B. W. Waugh, J. E. Lilly and J. E. R. Ross, members of the board, and A. W. Cole, secretary of the board, $630,195

Mr. Fraser: I would just like to ask why there is an increase in this item of $81,000.

Mr. Prudham: The total increase in salaries under this item is $34,213, of which $28,000 is for increased rates of pay and $27,000 additional is provided for hire of outside land surveyors, largely for surveys on Indian reserves. Then $16,000 is provided for radar altimeter work.

Mr. Fraser: Why should the increase for surveys on Indian reserves all be thrown into this year?

Mr. Prudham: This department, under the dominion lands act, does all the surveys that are required by statute to be done by dominion land surveyors. We undertake this work at the request of other departments—the Department of Citizenship and Immigration, the Indian affairs branch, the Department of Resources and Development—and for any other federal property that requires survey.

Mr. Fraser: You mentioned $27,000 on account of surveys for the Indian affairs branch?

Mr. Prudham: Yes.

Mr. Fraser: What was the amount last year? Is this for special reserves or does this $27,000 cover more than one reserve?

Mr. Prudham: Yes, Mr. Chairman, it would be for more than one reserve. I have not the details here as yet but I am informed that last year the amount was about $22,000 and this year it is $49,000.

Mr. Fraser: That is an additional $27,000.

Mr. Browne (St. John's West): I would like to ask one question on this item. Would the

minister mind informing me of the meaning of "legal surveys"? They are not done for private individuals are they?

Mr. Knowles: It means they are not illegal.

Mr. Prudham: Mr. Chairman, "legal surveys" is a term used to describe the work carried on by this department to establish boundaries and various legal subdivisions coming under the jurisdiction of the federal government. I believe that when our dominion land survey bill was before the house last year it was set out that where there is a common boundary between private property and crown lands the individual adjoining can request that a provincial surveyor also participate in the survey. They delineate demarcation of ownership as it affects federal land.

Item agreed to.

Dominion coal board—

246. Administration and investigations of the dominion coal board, $111,753.

Mr. Blackmore: This is an item on which I take it the minister will agree to have a full discussion. I may say that we in Alberta feel that the dominion coal board has let us down altogether in the matter of our coal. There was a time when they gave us a substantial subvention to help us get coal into the Ontario market.

As a result of the present situation I would like to ask the minister some questions. He no doubt agrees with me but being a member of the government he is in a rather difficult position; but I will ask these questions: First, how many areas in Alberta produce coal fully suitable for transportation to Ontario and for sale in Ontario; and I will ask which areas? Second, how great a subvention would be necessary to render it possible to deliver such coal in Ontario on a basis permitting successful competition, that is of course competition with coals coming in from the United States or any other place? Third, how much of a subvention is now being paid? Fourth, if there has been a reduction of the subvention in whole or in part during the last ten years, how great a reduction has taken place? Fifth, how much coal was imported from the United States in each of the years 1949, 1950 and 1951?

I think probably it will take the minister a few minutes to get the answers to those questions and during that time I would like to make these observations.

As is well known there are a number of kinds of coal in Alberta ranging all the way from lower bituminous, what we might call soft bituminous, up to close to anthracite, coal which could probably very well be classified as anthracite. During the years I have been in parliament a number of reasons have been advanced why it was not feasible to bring Alberta coal down into competition in Ontario. In my own opinion most of those reasons were just pure pretence. I have had the impression that there have been big interests in the United States with representatives in governing circles, and I won't say where, who have been persistently exercising an influence against the bringing of Alberta coal into Ontario, in my judgment to the serious disadvantage of both the west and the east. The questions I have asked are designed partly to uncover the situation and my colleagues and I will probably have something more to say as this information develops. The hon. member for Macleod and the hon. member for Red Deer have both been awaiting an opportunity of raising this question. I just happened, by accident, to get in first. They are just as keenly interested as I am, and I am saying this so no one will believe I was the one who brought it up and they were not going to do so.

Mr. Prudham: In answer to the hon. member's first question, I would say that all coal produced in Alberta is suitable for marketing in Ontario.

Mr. Blackmore: May I just raise a question there to help the minister. There are some coals, of course, which they have said would seriously disintegrate on the trip east. They raise that as an objection, you see. They say there is too much water in it or too little water, but like most excuses I do not think it would hold water.

Mr. Knowles: Somebody is all wet.

Mr. Prudham: Over the past years we have been carrying on discussions with the Alberta minister of mines with a view to establishing a standard of quality for coals that would be most suitable for the Ontario market. The dominion coal board has agreed to co-operate in such an effort. Considerable work has been done in gathering information on the qualities, moisture content, the b.t.u. value and so on of various coals. The Alberta government has agreed to police the quality regulations that are finally decided upon. In other words, any coal that is eligible for subvention assistance under the auspices of the dominion coal board will have to have the stamp of approval as to quality from the Alberta government.

The amount of subvention necessary to compete is the subvention we are now paying. The subvention rate is designed to make Alberta coal competitive with United States coal imported into eastern markets. The maximum being paid is $3.50 in southern Ontario

areas. There has been no reduction in the subvention since it was first instituted. The amount of coal imported into Canada in various years is as follows:

Year	U.S. Bituminous	U.S. Anthracite	British Anthracite
	Tons	Tons	Tons
1947-1948	25,079,000	4,576,000	55,000
1948-1949	24,980,000	4,584,000	191,000
1949-1950	15,382,000	3,810,000	354,000
1950-1951	23,688,000	4,090,000	398,000

Mr. Shaw: Earlier this session, Mr. Chairman, I directed certain remarks of mine to the coal industry, particularly as it applies to my province; and after all Alberta is that Canadian province in which the greater amount of coal is produced. It also represents the area in which we have the greatest known reserves. I just happen to represent a constituency in which coal mining is an important industry.

When I raised this question earlier I emphasized two important facts. First, I am inclined to believe that today the Canadian coal mining industry is deteriorating. I think all the evidence one is able to gather indicates that this is a fact. In the second place I emphasized the fact that should a war break out and our oil supplies in the Middle East be cut off, as I am afraid they would be, we would find ourselves calling upon the coal industry for substantial assistance just as we did during the last war. I am very much afraid, Mr. Chairman, if this condition of deterioration continues, and war does break out, we are going to call upon that industry to do what I am afraid it will be utterly incapable of doing. Once our coal mines are permitted to deteriorate to the point where they close and the workers are dispersed in other industries in Canada, then it becomes a problem of the first magnitude to get those mines back into operation.

I have gathered a few figures, but before I refer to those may I say to the minister that I am particularly pleased to learn that the closest co-operation exists between the minister of mines in Alberta, Mr. Tanner, and the coal board with respect to laying down quality regulations, as well as the stamping of coal that does attain a certain quality in order that we may be assured of our best quality coal being shipped into central Canada. The minister indicated that while there has been no change in the subvention, it still represents an amount which enables us to put Alberta coal into central Canada—

Mr. Prudham: I am sure the hon. member is misinformed. The subvention rate was increased last year.

[Mr. Prudham.]

Mr. Shaw: I am sorry, but I understood the minister to say there had been no change. Even so, I would remind the minister of the freight increases which have taken place during the last year—

Mr. Prudham: Not since the subvention rate was increased.

Mr. Shaw: —which must have an effect upon the position of our Alberta coal in relation to coal which is marketed in central Canada.

In 1948 the Alberta industry produced 8,110,000 tons of coal. There was an increase in 1949 to 8,616,983 tons. We find a very sharp decline in 1950 to 8,138,206 tons, and a further substantial decline in 1951 to 7,661,276 tons. I fully realize that this decline in coal production in Alberta has been coincidental with, and one might even say attributable to, the increase in competition from labour-saving fuels, marketing difficulties due to freight rate increases and so on over the past several years. I do not believe there is any argument either about the obvious advantages of labour-saving, clean fuel; advantages which have enabled natural gas, for example, to supplant coal as a domestic and industrial fuel in most of our urban areas and larger towns in western Canada, particularly in my own province of Alberta.

Increasing competition has been felt, so the mine operators say, from liquid petroleum gases such as propane and butane, and from fuel oil in some rural areas. One of the things that does concern me is this.

During the past number of years the railways have represented our most substantial consumer of coal. According to figures which I have, in 1948 the railways consumed 2,312,273 tons of Alberta coal. In 1949 it went up to 3,126,425 tons; in 1950 to 3,308,365 tons. Then there was a sharp decline in 1951 to 2,443,326 tons. The railways which in the past have provided the largest non-seasonal market for Alberta coal are proceeding with a plan which will ultimately result in the conversion to diesel power of both of our transcontinental system. In the meantime an increasingly large number of steam locomotives are using fuel oil rather than coal. This oil, of course, is obtained as a by-product of light fuel production at refineries using light crude stock or from the particular heavy crude fuels such as those we find in Lloydminster, Vermilion and Wainwright. This railway conversion program apparently completely ignores the possibility that in the case of war or in case of any national emergency there may be an acute oil shortage, as I have already stated, and in the meantime some of our mines may have had to close down with the resultant dispersal of trained

personnel. I think that is a matter to which the railways themselves should give serious consideration.

I have already mentioned the competition from other forms of fuel. While facing that unabated competition from other types of fuel, coal mine operators have had to contend with constantly increasing marketing costs brought on, I would say, in the main by freight rate increases over the past several years.

Mr. Blackmore: And production costs.

Mr. Shaw: And production costs. The increased production costs resulting in substantial part from heavier shipping costs brought about by freight rate increases have meant substantially increased overhead costs, thus placing the mines in an extremely inferior marketing position. Each increase in freight rates has further restricted markets when the industry is in no position to absorb these extra costs. If one examines the facts of the case I think he will find that every time we have had a freight rate increase in Canada we have lost markets for Alberta coal. They were simply put in this difficult position where they could not compete at all with imported coals.

To meet this situation which threatens death by strangulation if a large increase in production should be requested—such as, I might emphasize, was obtained by the federal government during the last war—efforts are being made to prepare more marketable products from coal. I think that is probably one of the healthy signs. I am going to ask the minister a few questions with respect to that matter. When I say that the industry is threatened by strangulation, I think I am not stating anything that is foreign to the facts which exist at the present time. I know it can be said that the number of mines in operation in Alberta, for example, has increased since 1948 from 94 to 104 in the case of subsurface mines. There has been a decrease in strip mine operations during the same period of time. But while there has been an actual increase in the number of subsurface mines operating between 1948 and 1951, I think the facts are that most of the increase in mining operations is represented in the smaller mines or the family mines, as we know them. The significant fact, of course, is that during those four years we have had an important decline in actual coal production.

I realize fully that certain efforts are being made to produce other products from coal in my province. As I said a moment ago, in that connection I think I see a hopeful sign. I have noticed that they are concentrating more and more upon the manufacture of briquettes. That procedure is going on in the Coalspur, Mountain Park, the Crowsnest pass, Canmore and Seebe areas in Alberta. Coke is also processed in Coleman. I am told that greater attention is being given to the manufacture of coke and briquettes. There seems to be a rather satisfactory market for those products.

I am going to ask the minister if he has any information with respect to "fabricoal". I am not too certain what it is. I know that at Big Valley, Alberta, activity has been under way for some time, and I understand that about 1,742 tons of that product were marketed outside of the province last year. As I say, I do not know exactly what "fabricoal" is but I am particularly interested in it. If it represents an activity that might provide further marketing opportunities for Alberta coal, it is of course natural that we are all for it. I should like to have the minister comment upon that matter, if he will, when I am finished.

I should like to stress the point that the thing I fear above all else is deterioration in the coal mining industry to or beyond the point where we may find it utterly impossible to rehabilitate that industry in time of great emergency. I know that certain changes are conceivably inevitable. I realize fully, of course, that if one has an opportunity to burn gas, he is not likely to burn coal when it represents a product that is dirtier to handle, shall we say, and which, through the process of combustion, produces ashes which have to be removed.

I also appreciate that it may be quite natural for the railroads to move from coal burners to oil burners. But I think the one thing the railroads should realize is that this may not be the proper time to do that. If the international picture were somewhat different from the one we see at the present time, then I would say: "Surely; move along in unrestricted fashion in this process of conversion." But I am a bit fearful. I am not talking for a handful of coal miners who may be in my constituency because I realize that it is quite possible, without too much difficulty, to rehabilitate coal miners and move them into other industries. But I know you cannot move them back as easily as you can move them out. In the light of the international situation I am fearful that we may not be doing all we can to keep this industry in a healthy state in order to meet any emergency that might develop.

I wish the minister would go into this question of subventions a little more fully. Have subvention increases kept pace with increased transportation costs? Can he give us some further information with respect to

new processes such as the manufacture of "fabricoal"? Can he give us comparative figures with regard to retail prices of imported United States domestic coal, as we sometimes call it, in Ontario and Alberta coal which is brought into Ontario and sold for what we call domestic purposes there? I well recall that a few years ago I procured figures which indicated that Alberta coal could be laid down in Ontario on a competitive basis outside of lake port areas such as Hamilton and Toronto. This was a number of years ago. From a dollars and cents point of view, having regard to all the costs involved, I wonder whether Alberta coal can today be laid down in central Canada on a competitive basis. I have one more question. What is being done by the coal board to advertise Canadian coal and to assist in the consumption of Canadian coal, a Canadian product, in central Canada? The hon. member for Lethbridge said a moment ago that a lot of propaganda has gone out from time to time with respect to Alberta coal being an inferior product. As a matter of fact, at one time it was even said they shipped low-grade coal into Ontario to prove that it was no good. I would hate to think that is being done; yet I am not surprised at anything nowadays.

Mr. Blackmore: I am afraid it was done.

Mr. Shaw: Well, I think it was, but I hope it is not being done today, because those of us who are familiar with Drumheller lump coal know there is no better domestic coal in this country, and I doubt whether there is any better domestic coal anywhere. I would appreciate what information the minister can give, if he can give me a bit more confidence than I have at the present time with respect to the future of this industry.

Mr. Prudham: The hon. gentleman has asked what the coal board is doing to advertise Alberta coal. Well, it is not the function of the coal board to do that.

Mr. Shaw: Canadian coal?

Mr. Prudham: Canadian coal; it is not the function of the coal board to advertise. If we believe in private enterprise that is the function of the coal operators themselves. I had that question put to me last fall by one of the coal operators' associations. They said: "You have been minister for eight months; what have you done to help us?" I said: "What have you done to help yourselves?" They said: "We have not done anything"; to which I replied: "As soon as you show signs of helping yourselves I will get right behind you, but I am not a Joe-boy for the coal industry". I can say for the coal board that they are there to help in any way they can, but the onus is not on the coal board specifically. It is still primarily a problem for the industry. I think that they can do a better job in advertising, processing and selling their own product.

Mr. Shaw: You give them advice.

Mr. Prudham: This applies especially to the western points.

Mr. Shaw: Do you give them advice?

Mr. Prudham: Yes, we do. The hon. member referred to "fabricoal". I have never heard the name before; but during my inspection trip of the Alberta mines I stopped at Big Valley and saw that operation. It was still in the experimental stage. They had a compressor there, compressing slack coal into bricks. At that time the machine was not working properly. They were having a lot of trouble, but I heard that they have since perfected the process. It seems that the coal was shipped to Texas, or wherever this machine is manufactured, from this particular mine. It worked perfectly on the samples that were shipped, but when the machine was shipped to Alberta, the altitude being higher, the machine did not work and they had many problems. I am glad to know that it is now in operation. It is a convenient way of merchandising soft coals. I do not know what acceptance that product would have in Ontario. It appeared to be a large brick, about the size of an ordinary building tile. I think an educational campaign will have to be carried on if it is going to be used on any large scale in eastern Canada.

One of the difficulties in selling western coal in the east is that the equipment down here is designed for anthracite coals and other United States coals. Before western coals can be used satisfactorily an educational program will have to be carried on, and in some instances conversion of burning equipment will have to take place.

About the beginning of the last shipping season I had several Ontario coal dealers in my office begging for Alberta coal. They said: "We cannot place an order anywhere, in Drumheller valley or anywhere else". The reason for that is that Alberta coal does not store very well, and consequently none is shipped until the heating season begins. At that time the Alberta mines are unable to deliver all the coal that is requested.

Mr. Blackmore: Will the minister permit a question? Does that apply to all Alberta coals, that they are not capable of being stored?

Mr. Prudham: No, it does not.

Mr. Blackmore: It applies in a general way?

Mr. Prudham: In a general way, yes.

Mr. Fraser: Would that include briquettes?

Mr. Prudham: No; I was coming to that. I think the operators are on the right track now in turning to briquetting, to this "fabricoal" and to other methods. I think that probably will contribute to some extent to the solution of their problems.

Mr. Blackmore: Before the minister goes on, can he give us offhand the names of the Alberta coals that will store successfully; that is, Drumheller coal, for example, and Nordegg coal? What mines produce coal that will store?

Mr. Prudham: I do not wish to give any trade names at this time; I do not think it would be fair, but generally speaking—

Mr. Blackmore: If you give us the mines—

Mr. Prudham: No, I prefer not to do that. It is up to the coal miners themselves to advertise their product. Generally speaking the mountain coals are more easily stored than the prairie coals.

As to the subvention, there was no appreciable increase in the freight rate on coal from western Canada to eastern Canada from 1933 to 1950. When that increase went into effect in 1950 the subvention rate was changed upward to keep Alberta coal competitive in eastern Canada. The question at the moment, as I understand it, is not one of markets; it is a question of consumer acceptance. In that field the coal operators themselves have a big job to do. The coal board is willing to help in every way possible, but the onus is on private enterprise. It is up to them to make an all-out effort.

The coal operators and I believe the Alberta government co-operated last fall in negotiating with the railways to forestall a further increase in freight rates. That effort was successful. I understand they are now negotiating with the railways to ascertain, if possible, the out of pocket costs of hauling coal, with a view to trying to forestall any further increases in the near future. I think that answers the question.

Mr. Fraser: Can the minister tell us the tonnage of briquettes that came from Alberta last year?

Mr. Hansell: I was interested in hearing the minister say in answer to a question of the hon. member for Red Deer that it was not the function of the coal board to advertise Canadian coal, and that he was not desirous of being a Joe-boy for the coal mining industry. I am sure we from Alberta have no desire to make one of our Alberta colleagues a Joe-boy for any industry. Perhaps the minister has forgotten that evidently there must be a few Joe-boys in the government, because some of the departments do advertise the industries connected with them. I would point out specifically the Department of Fisheries which carries on quite an advertising campaign on behalf of the fishing industry. I do not think the minister would care to say that the Minister of Fisheries is a Joe-boy for the fishing industry. The Department of Trade and Commerce carries on quite a campaign on behalf of certain industries in the expectation that they might bring some business to those industries. Over the years I have spoken on behalf of the coal mining industry in Alberta. When I was first elected I tried, in my small way, to study the coal mining industry, and I decided to make a speech about it each year. Evidently, however, my speeches were not very powerful, because it appears I cannot get very much action from the government in respect of any over-all national coal policy.

Perhaps as the years have passed I have weakened a little in my efforts. I carried on a sort of annual speech-making event on behalf of the coal mining industry. This is my seventeenth year in the House of Commons and I do not propose to repeat my speech this year, because I do not expect it would bring any better results than it has in the past.

The picture is a dismal one. In the past years I have seen no change in the government's attitude toward the coal mining industry, and toward bringing into existence a coal mining policy that would give some hope to what would now appear to be a dying industry. Yet nothing seems to have changed. The coal is the same kind of coal we have mined for years; the Canadian National Railways and the Canadian Pacific Railway are just the same; they still run their trains on the same tracks. Although there may have been some changes in methods and equipment, the coal mines are the same and the consumers are the same. We have industries as well as domestic consumers in Canada. The unfortunate thing is that the government is the same. We have had the same government for a number of years. All this adds up to one thing, and that is that the coal situation is just the same and it does not look as though there will be much improvement in the future.

We still have no coal policy; we have no stability for the industry, and it has no future. I would hope that perhaps later on we might have no Liberal government.

Sometimes however a show is made at attempting something. Over the years there have been a number of coal inquiries and commissions which have resulted in a lot of data and detail. All these have made their recommendations; but I have not been able to find out where one of those recommendations has ever been accepted.

Mr. Prudham: Would the hon. member mind repeating that? I did not hear what he said.

Mr. Hansell: I said that over the years we have had a good many coal inquiries and commissions, but I am not aware that any recommendations of those inquiries or commissions have ever been accepted as a policy by the government. If they have been accepted, then the recommendations have been so minute that they have not made much difference.

There was quite a flurry a few years ago when the Carroll coal commission travelled across the country and spent hundreds of thousands of dollars in its efforts. It was quite a show, and it gave some hope to the coal mining industry while the sittings were going on in various places. A lengthy report was published, and a good deal of valuable information appeared in it. The commission was well manned, and had on it a representative of labour as well as one from industry. In short the commission was well rounded. The report was voluminous and valuable; but what happened to it? No recommendations were adopted. It has now been filed away on some musty old shelves in government offices, and the only real use to which it has been put, evidently, is to make fodder for mice and other starving rodents.

That is the situation. The coal mining industry is concerned with the advent of the diesel engine. As the minister is aware, most of the coal mined in Alberta for industrial purposes is for use on the railroads. The diesel engine is upsetting the calculations of the coal mining industry. I would ask the minister to tell us the government's policy to keep this industry on its feet.

Referring to an earlier vote the minister said that a market for about a million tons of coal was now available. I was disappointed when he did not tell us where that market is. Evidently it is a new one somewhere, and I would ask him to tell us where it is, because a million tons would make a worth-while addition to what we already have.

Mr. Prudham: I do not agree with the hon. member when he refers to coal mining as a dying industry, any more than I would agree to gold mining being described as a dying industry. Coal mining is fundamental to our industrial life. I believe, so far as Canada is concerned, that when the gas and oil that has captured the imagination of the public at the present time, and for very good reason, has been used up, coal will be very important. It does any industry good to have a little squeeze once in a while, and I think the coal industry is no exception. They will have to improve their methods if they wish to survive. That process may be a little painful, but I believe it will survive.

The dominion coal board was created to do and is now doing everything possible to assist the industry through this period of transition. Through advertising the coal board does everything possible to promote the use of Canadian coal in Canada. We do not advertise Alberta coal specifically, but we direct our efforts toward benefiting the coal industry of Canada generally.

I believe the Alberta government, with which my hon. friend is very friendly, has definite responsibilities in respect of Alberta coal. The gas and oil development which is contributing to the prosperity of Alberta and of the Alberta government especially is doing more than diesels to put the coal industry of Alberta out of business. Therefore I feel that the Alberta government has a direct responsibility to the coal industry.

Recently the Alberta government allocated a certain amount of gas for export to the Pacific coast. That will affect a very important market for Alberta coal and will create a further problem for the coal industry of that province. I believe the Alberta government will measure up to its responsibility because it has been most co-operative so far. I certainly hope they will go much further.

If my hon. friend would like to know what has happened as a result of the reports of royal commissions on the coal industry and so on, I suggest that he read our annual report.

Mr. Hansell: The minister referred to a million tons.

Mr. Prudham: The report I put on the record was made by the fuels branch of the Department of Mines and Technical Surveys. That market is wherever it can meet competition. There is a market anywhere in Ontario for Alberta coal if it can meet competition.

Mr. Hansell: If that is the answer, why limit it to one million tons, why not five million or ten million tons? The minister mentioned specifically that there was a market for one million tons. That was the figure he read from the document and I would like to know where it is. So far we have had no answer. It is like a dog chasing his

own tail, it just gets nowhere. However, if that is the minister's answer I shall not press it, as I understand we want to get on with the items tonight.

Mr. Prudham: The present transportation facilities from western Canada would limit the movement of coal to Ontario to not more than half a million tons per year. At the present time there is a competitive market for an additional three-quarters of a million tons of Canadian coal in Quebec. That would make more than a million tons.

Mr. Gillis: Is the mechanization of the maritime coal industry making satisfactory progress? I notice the production is down this year as compared with last.

Mr. Prudham: The progress to date of the mechanization program is not satisfactory either to the dominion coal board or to the operators. Many difficulties have been encountered, largely due to the defence program. They have been unable to get certain types of electrical equipment. They are changing from a compressed air to an electrical operation, and it has been difficult to make the hoped-for progress. We are keeping closely in touch with it. One engineer from the department went there a few weeks ago, and we are sending two more in the fall of the year.

Mr. Fraser: Is the department trying to work out new methods of using Alberta coal for the manufacture of chemicals and other things?

Mr. Prudham: New equipment is being installed at the moment in the Booth street laboratory for the hydrogenation of coal and other heavy fuels. In this connection they deal with very high pressures.

Mr. Fraser: That is turning it into liquid?

Mr. Prudham: We are experimenting with turning it into liquid, and also trying to develop new combustion methods.

Mr. Shaw: Under normal circumstances we would pursue certain matters a little further, but due to the lateness of the hour and I am sure the anxiety of the minister to get his estimates through, in co-operation with the committee, so we can get on to external affairs tomorrow, we will forgo asking further questions. We have expressed our feelings to the minister and to the government, and no doubt when we next have a chance we will bring up this matter again.

Item agreed to.

247. Payments in connection with the movements of coal under conditions prescribed by the governor in council, $6,000,000.

Mr. Adamson: I do not want to be cast in the role of a prophet, but I would not be at all surprised if some of the younger members now in the house will some day see coal being used mainly not as a fuel but in the production of synthetic materials in the petrochemical industry. What research is being done in developing by-products from coal?

Mr. Prudham: Other than the hydrogenation project we have no specific undertakings at the present time. The men in the department keep in close touch with experiments being carried on in the United States. We do not undertake any experimental work that is being duplicated elsewhere in Canada or the United States where we have access to the results.

Mr. Adamson: This department is responsible for the production of probably $1,500 million worth of products which form the sinews of most of our manufacturing and which will become more and more important as the years go by. I suggest to the minister that at the next session the committee on mines, forests and waters be convened so that the experts of the department, the directors and others, may come and inform members as to what is being done. I think that is one of the essential jobs of the technical personnel in the department.

Item agreed to.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we will consider the estimates of the following departments: external affairs, secretary of state, defence production, post office and, if hon. members wish, public works.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

[The following items were passed in committee of supply]:

DEPARTMENT OF FISHERIES

General services—

141. Departmental administration, $294,900.

142. Information and educational service, including $3,500 for grants to fisheries exhibitions, $136,600.

143. Markets and economics service, $194,600.

144. Administrative expenses of the Newfoundland fisheries board, $33,900.

145. Industrial development service, $40,000.

146. To provide for transportation, dressing and dyeing and other expenses incidental to receiving and disposing of fur seal skins accruing to Canada pursuant to provisional fur seal agreement between Canada and the United States by exchange of notes dated December 26, 1947, $700,000.

Field services—

147. Field services administration, $417,500.

Protection branch—

148. Operation and maintenance, $2,747,294.

149. Construction or acquisition of buildings, works, land and new equipment, $169,340.

Inspection branch—

150. Operation and maintenance, $907,438.

151. Construction or acquisition of buildings, works, land and new equipment, $32,850.

Fish culture and development branch—

152. Operation and maintenance, $711,835.

153. Construction or acquisition of buildings, works, land and new equipment, $193,190.

154. Consumer branch, $46,060.

155. To provide for the destruction of harbour and and gray seals, $45,000.

Fisheries research board—

156. Headquarters administration, $92,794.

157. Operation and maintenance, $1,759,395.

158. Construction or acquisition of buildings, works, land and new equipment, $184,225.

International commissions—

159. To provide for Canadian share of expenses of the international fisheries commission appointed under treaty dated January 29, 1937, between Canada and the United States for the preservation of the north Pacific halibut fisheries, $52,750.

160. To provide for Canadian share of expenses of the international Pacific salmon fisheries commission appointed under treaty dated May 26, 1930, between Canada and the United States for the protection, preservation and extension of the Sockeye salmon fisheries of the Fraser river system, $164,200.

161. To provide for Canadian share of expenses of the international Pacific salmon fisheries commission to overcome obstructions to the ascent of sockeye salmon at Hell's Gate canyon and for investigating and overcoming obstructions to such salmon at other points on the Fraser river watershed (revote), $8,000.

162. To provide for Canadian share of expenses of the international whaling commission, appointed pursuant to the international convention for the regulation of whaling, dated at Washington, December 2, 1946, $2,500.

163. To provide for Canadian share of expenses of the international commission for the northwest Atlantic fisheries appointed pursuant to international conventions for the investigation, protection and conservation of the fisheries of the northwest Atlantic ocean, dated at Washington, February 8, 1949, $20,000.

Special—

164. To provide for operation and maintenance of Newfoundland bait service, $342,500.

165. To provide for the extension of educational work in co-operative producing and selling among fishermen, $80,000.

166. To provide for administration expenses of the Fisheries Prices Support Act, 1944, $80,625.

167. To provide for assistance in the construction of vessels of the dragger and/or long liner type, subject to such terms and conditions as may be approved by the governor in council, $150,000.

[Mr. Fournier (Hull).]

168. To provide for assistance in the construction of bait freezing and storage facilities, subject to the approval of the governor in council, $30,000.

DEPARTMENT OF MINES AND TECHNICAL SURVEYS

A—Department—

Administration services—

221. Departmental administration, $431,397.

Explosives Act administration—

222. Explosives Act—administration, operation and maintenance, $89,404.

Mines branch—

223. Mines branch administration, $73,589.

Mineral resources investigations—

224. Administration, operation and maintenance, $1,998,887.

225. Construction or acquisition of new equipment, $233,000.

Investigations of radioactive ores—

226. Administration, operation and maintenance, $301,418.

227. Construction or acquisition of new equipment, $49,500.

228. To provide for payments to McGill university in connection with the development of a coal-fired gas turbine, $120,000.

Geological survey of Canada—

Geological surveys—

229. Administration, operation and maintenance, including the expenses of the national advisory committee on research in the geological sciences, and an amount of $2,200 for Canada's share of the cost of the committee on mineral resources and geology, London, England, $2,202,873.

230. Construction or acquisition of new equipment, $124,500.

Surveys and mapping branch—

231. Surveys and mapping branch administration, $40,796.

Topographical surveys, including expenses of the Canadian board on geographical names—

232. Administration, operation and maintenance, $1,517,395.

233. Construction or acquisition of new equipment, $103,000.

Canadian hydrographic service—

234. Administration, operation and maintenance, including Canada's annual contribution of $5,750 to the international hydrographic bureau, $2,083,822.

235. Construction or acquisition of new equipment, $191,615.

236. Geodetic survey of Canada—administration, operation and maintenance, $686,473.

237. International boundary commission—administration, operation and maintenance, $61,292.

238. Legal surveys and aeronautical charts—administration, operation and maintenance, including a grant of $350 to the Canadian Institute of Surveying and Photogrammetry, and the expenses of the board of examiners for dominion land surveyors and payment of fees of B. W. Waugh, J. E. Lilly and J. E. R. Ross, members of the board, and A. W. Cole, secretary of the board, $630,195.

Map compilation and reproduction—

239. Administration, operation and maintenance, $667,443.

240. Construction or acquisition of new equipment, $11,925.

Geographical branch—

241. Geographical branch—Administration, operation and maintenance, $233,218.

Dominion observatories—

Dominion observatory, Ottawa and field stations—

242. Administration, operation and maintenance, including membership fee of $500 to the international astronomical union, $381,244.

243. Construction or acquisition of buildings, works, land and new equipment, $119,950.

244. Dominion astrophysical observatory, Victoria, B.C.—administration, operation and maintenance, $104,556.

General—

245. Payments to Royal Canadian Air Force and commercial companies for air photography, and to defray the expenses of the interdepartmental committee on air surveys, $1,200,000.

B—Dominion coal board—

246. Administration and investigations of the dominion coal board, $111,753.

247. Payments in connection with the movements of coal under conditions prescribed by the governor in council, $6,000,000.

HOUSE OF COMMONS

Friday, June 20, 1952

The house met at eleven o'clock.

FERRY SERVICE

YARMOUTH-BAR HARBOR—ANNOUNCEMENT OF CONSTRUCTION OF VESSEL

Hon. Lionel Chevrier (Minister of Transport): In November, 1950, Mr. Speaker, I made an announcement that the lack of steel had made it necessary for the government to suspend temporarily construction of the proposed Yarmouth-Bar Harbor ferry. Today I am happy to inform the house that the government has reviewed the situation with respect to availability of scarce materials and, on the advice of the Canadian maritime commission, and after consultation with the premier of Nova Scotia has agreed that tenders should now be invited for the construction of the vessel.

I should like to remind the house that the Yarmouth-Bar Harbor ferry project is not only a federal-provincial project, it is an international project including as it does the construction of approaches, causeway, pierhead and terminal facilities by the state of Maine and the town of Bar Harbor. I am happy to say that the Maine legislature has passed, and the governor has signed, the legislative bill relating to this work.

May I say a word or two about the ship itself? The vessel will have an over-all length of 348 feet; breadth at main deck 65 feet; car capacity 150 automobiles; total passengers carried 600. There are two car decks, the lower car deck having head clearance for long-distance refrigerated trailer trucks and buses. The service speed of the vessel will be approximately 18½ knots. A notable feature of the vessel's construction is that it will be equipped with a Denny-Brown stabilizer which has the effect of minimizing vessel-rolling during rough weather. In the summer tourist season the ship is scheduled to make the round-trip voyage in daylight hours. Our Nova Scotia members can readily appreciate the value of such a unit.

While initially the ferry will be dependent on summer tourist traffic, the real justification for the vessel is the hope that having furnished this new gateway there will develop a commercial business by truck which will bring the produce of Nova Scotia to the markets of the United States and vice versa. The ship, in reality, will be a continuation of the highway between Maine and Nova Scotia, along which will flow countless automobiles with passengers anxious to visit and admire the beauties of Nova Scotia and of the New England coast line.

I think that in fairness, Mr. Speaker, I should add that the hon. member for Digby-Yarmouth (Mr. Kirk) has been pressing me for a statement on this subject for the last two days. I have suggested to him that he not ask a question in the house concerning it because I hoped to be able to make a statement. I am sorry it was not possible to do so before this morning.

Mr. Balcom: Will the minister permit a question?

Mr. Chevrier: Yes.

Mr. Balcom: I might say, Mr. Speaker, that this is going to be a source of great satisfaction to the people of Nova Scotia—

Some hon. Members: Order. Question.

Mr. Balcom: —and the Annapolis valley as well. When is it expected this ship will be put into operation, and is there going to be refrigeration accommodation?

Mr. Chevrier: The statement I have just made refers to the refrigeration which will be in the ship. It is expected to have it in operation some time in 1953.

Mr. Balcom: I presume that, in so far as possible, architects and engineers from Nova Scotia will be employed?

Mr. Chevrier: I must say that the plans are ready now.

PRIVATE BILL

FIRST READING—SENATE BILL

Bill No. 363, for the relief of Ann Martha Treglown Goodfellow.—Mr. Winkler.

STRAWBERRIES

QUESTION AS TO IMPORTATION FROM HOLLAND

On the orders of the day:

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, apparently there is grave concern among the strawberry growers on the lower mainland of British Columbia over the possibility of the importation of strawberries

or strawberry pulp from Holland. Can the Minister of Agriculture give the house a statement on this question now or later today?

Right Hon. J. G. Gardiner (Minister of Agriculture): The hon. member for Fraser Valley (Mr. Cruickshank) as well as the hon. member for Vancouver-Quadra telephoned me about this matter and indicated that there was some discussion of the matter in British Columbia. I have made inquiries and I am told that there have been no imports of either frozen or SO_2 strawberries into Canada up to the present time so far as we can find out. I understand that the complaint is not that there has been importation into British Columbia but that British Columbia is not able to sell her berries to eastern manufacturers because of a suggestion that SO_2 or frozen berries may be coming from Holland to the eastern plants.

Up to the present time, so far as I can find out, there has been no such importation. I am making further inquiries as to the possibility of those berries coming in and I will make a further report later.

INQUIRY FOR RETURN

ARMY STORES INVESTIGATION—MCDONALD, CURRIE AND COMPANY

On the orders of the day:

Mr. E. D. Fulton (Kamloops): Mr. Speaker, on May 26 the house passed a motion for papers which stood in my name with regard to correspondence concerning the appointment of Mr. Currie. The papers have not yet been produced. I should not imagine that they are very complicated. No objection was taken to the motion. I would ask the parliamentary assistant to the Minister of National Defence if he will look into the matter and have that return made at an early date.

Mr. J. A. Blanchette (Parliamentary Assistant to the Minister of National Defence): The matter will be looked into, Mr. Speaker.

EXTERNAL AFFAIRS

COLOMBO PLAN—MEETING WITH OFFICIALS OF GOVERNMENT OF INDIA

On the orders of the day:

Mr. A. Earl Catherwood (Haldimand): I should like to direct a question to the Secretary of State for External Affairs. Can the minister state whether the meeting between the officials of the government of India and the Department of External Affairs on Canada's part in the Colombo plan for this year is concluded? If so, is the minister in a position to say what decisions were reached?

Hon. L. B. Pearson (Secretary of State for External Affairs): A preliminary meeting between representatives of the government departments here which are particularly interested in the Colombo plan and the High Commissioner for India has been held, but no conclusions were reached at that meeting. For one thing, no vote has as yet been passed for the Colombo plan for the year 1952-53. It is, however, hoped that we shall be having further meetings in order to go into this question in greater detail.

KOREA

CANADIAN TROOPS ON KOJE ISLAND—REFERENCE TO STATEMENT BY DR. ENDICOTT

On the orders of the day:

Mr. G. K. Fraser (Peterborough West): I should like to address a question to the Minister of Justice (Mr. Garson) but in his absence I will direct it to the Prime Minister. Has the justice department or the government come to any decision as to whether the communist Endicott is to be prosecuted on account of his statement, made in Winnipeg on Wednesday evening, that Canadian soldiers helped the Americans needlessly slaughter communist prisoners on Koje island?

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, I have not seen the report of the statement made on Wednesday evening. Which Wednesday was it?

Mr. Fraser: On Wednesday last. I will send the clipping over to the Prime Minister.

Mr. St. Laurent: That is Wednesday of this week. I should appreciate it if the hon. member would let me see the report of that statement. I shall be glad to refer it to the Department of Justice to see whether it constitutes anything different from what had already been considered as emanating from this Dr. Endicott.

Mr. Fraser: In the clipping it is mentioned that the justice department was trying to come to some decision. I just wondered if it had done so.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF EXTERNAL AFFAIRS

Department and missions abroad—

85. Departmental administration, $2,613,057.

The Chairman: Hon. members will no doubt wish me to point out that these items had been earlier referred to the standing committee on external affairs and have been referred back to this committee after they were carefully considered in the standing committee on external affairs.

Mr. Fraser: Mr. Chairman, I believe the committee quite realizes that the estimates of the Department of External Affairs have been before the standing committee of the house. But as the external affairs department is one in which the whole country is interested as well as the whole world, and as things are changing from day to day, I just wondered whether the minister was going to make a statement at this time before we asked questions.

Hon. L. B. Pearson (Secretary of State for External Affairs): It had not been my intention to make anything like a general statement at this time. We have had two or three debates this session on external affairs. Only as recently as a few days ago we had an interesting and detailed discussion of European and NATO developments. If the committee agree, I would prefer to make any statement that is required on points that may be brought out in the course of our consideration of the estimates.

Mr. Hees: Mr. Chairman, I should like to refer to the protest which this government sent a few weeks ago to the state department of the United States with regard to the transfer of one company of our 25th brigade to temporary guard duty on Koje island.

Yesterday the Secretary of State for External Affairs advised the house that the government of the United States had accepted our protest. I believe that was the obvious thing for the government of the United States to do, because they had no alternative. They know perfectly well that a formal, publicized rejection of our protest would simply give the communist propaganda machine more material to use against us. In sending that protest I believe that we have already given them far too much of that kind of material.

I believe that the fact that the United States accepted our protest in no way excuses or justifies the great amount of publicity that attended the sending of that protest. If a government which has reached adult stature in the handling of external affairs wishes to send a protest to an allied government with regard to some matter, I believe that it does so in a quiet, restrained and unpublicized manner.

The only explanation which I can find for this tremendous amount of publicity is that the publicity machines in some of our departments of government are getting a little bit out of hand. First of all, we see the Department of National Health and Welfare flooding the country with pamphlets advertising the Minister of National Health and Welfare. Then in answer to that move we see the Department of External Affairs counter with headline publicity in which their minister is portrayed as the great white father who fights the battles of all Canadians outside of our shores.

It is going to be very interesting to see what the Department of Finance and the Department of Citizenship and Immigration are going to be able to do in order to further boost their ministers in the leadership race as it draws close to the line.

I suggest, Mr. Chairman, that we have a look at the circumstances which have prompted this very unfortunate outburst on the part of our government. The circumstances are these: One company of our 25th brigade was sent by the United Nations commander to share in the police duties on Koje island. This was a temporary assignment, within the theatre of operations, and one which the United Nations commander was quite entitled to make.

His only obligation was first to get in touch with the commander of the British commonwealth division, under whose command our 25th brigade has been for some time, and request that the company should be sent. However, despite this fact, the government sent to the state department of the United States a protest which unfortunately received a great deal of headline publicity.

If this assignment was to have been a permanent one, or if our troops were to be sent outside the theatre of operations, then I believe this protest would have been justified, provided that the United Nations commander had not first received the permission of the Canadian government. However, to send a much publicized protest to the state department because of a temporary assignment, within the theatre of operations, and which was merely to do our share of the police duty necessary on Koje island, does, I feel, Mr. Chairman, make us look rather ridiculous in the eyes of our allies.

It has, I believe, shown a complete lack of understanding of the need of a field commander to feel free to assign troops under his command to normal duties, of a temporary nature, and within the theatre of operations.

I feel sure that during the last war there were many questions of allied policy on which Mr. Roosevelt and Mr. Churchill were not in complete agreement, but the public was never aware of these differences. These statesmen knew that nothing feeds the enemy propaganda machine quite so well as to publicize differences between allies, and so they resolved their differences privately.

In conclusion, I say that I sincerely hope this government will learn from these two great statesmen, and when it feels called

upon to criticize the action of an allied government in the future, it will do so in a restrained, dignified and unpublicized manner.

Mr. Pearson: I think I had better just say a word about the hon. gentleman's statement. I am grateful to him for his advice on the conduct of diplomacy. As far as I am concerned, I will do my best to follow that very good advice in the future. But his implication that my statement in regard to this matter was made from a desire for publicity is just as unfounded as any statement of mine would be that he had made his statement because of a desire for publicity.

Mr. Hees: On a question of privilege, I should like to correct the minister. I at no time said that these statements were prompted by the minister, because I frankly do not think that he would prompt such statements. I think that in the departments we have built up publicity machines which sometimes get out of hand, and I think this is one instance when this publicity machine did get out of hand. I am not blaming the minister; I am blaming his publicity machine.

Mr. Sinclair: We accept your apology.

Mr. Hees: It is no apology; just the minister's mistake.

Mr. Pearson: I happen to be the minister of the department which possesses what has been called this publicity machine, which I think consists of a press officer. I am glad to take the responsibility for anything that is done by my department.

The matter that has been referred to need not I think be exaggerated. Our statement, which was made in this house—because when we have important statements to make on matters of direct concern to Canadian interests I think it is desirable to make them in the House of Commons—indicated that we had sent a note, which has been called a note of protest. In fact it was a note expressing our concern that a detachment of Canadian soldiers had been removed from the brigade for duty elsewhere in Korea in circumstances which we thought at that time were such as to make possible prior consultation with the government. But it will be recalled by the committee that in the note we made it quite clear that military considerations must govern these matters, and that in a case of military emergency no formation should expect to operate as a formation if it is necessary to break it up. That exception is understood by us, and I am sure by other governments with forces in Korea. However, when our brigade was sent to Korea its directive in this matter was quite clear. That directive, which was sent to the brigade commander and also to the unified command, was to the effect that the principle of the separate entity of the Canadian forces should at all times be maintained. That is a principle which has been considered of importance to Canadian governments from the time of the first war, and it was laid down in regard to our operations in Korea.

It was considered proper at this time to call attention to that principle, of course always excepting military emergency. That was done. The United States government has expressed its appreciation and understanding of the importance of this principle for us, and at the same time has quite rightly emphasized the overriding importance of military considerations. I think that this exchange of correspondence between the two governments has served a useful purpose, and I do not think that the communists are going to be able to exploit it to any great extent.

As I indicated in my statement, we are happy to have our brigade in Korea take its full share of duty there as a unit of the United Nations forces. That is a principle by which we are also governed. But, subject always to military considerations, we feel it important to make quite clear that the directive which was given to the brigade at the time, namely, that a separate entity should be maintained, should be observed not only in Korea but wherever Canadian troops are serving, because we have learned from experience that that is the best way that Canadian soldiers operate in campaigns outside of Canada.

Mr. Macdonnell (Greenwood): I should like to add one word to what has been said. I agree fully with what the minister said about the importance of maintaining our control. The only suggestion I have to make to him —and here I agree with the hon. member for Broadview—is this: It seems to me this was an instance where he might have put the telescope to his blind eye, because it does seem to me it was a very small affair.

Secondly, and on a different point, it also seems to me that, as my colleague said, this surely might have been an instance where whatever communication was to be had might have been had in private. There must have been many instances of much vaster importance during the recent hostilities where leaders of governments did not always see eye to eye, but those differences were not made public, and the ordinary citizen did know of it.

Mr. Knowles: Mr. Chairman, on at least four occasions in recent weeks members of this group have asked the Secretary of State for External Affairs for a statement respecting the attitude of the Canadian government toward the activities of Syngman Rhee. On several, indeed if not on all those occasions, the reply of the minister was that he would prefer to wait until we reached the discussion of his estimates, at which time he would be prepared to make a statement in the matter.

I might remind him that the first time I put a question to him regarding this matter was prior to the occasion when several of the united nations associated in the effort in Korea, indicated their dissatisfaction with Syngman Rhee's disregard of democratic practices. We had hoped that Canada might take the lead in connection with the matter.

At any rate the whole question is very much in the news these days. Almost every day there is an item of significant importance in news broadcasts as to the way in which Syngman Rhee is trying to get rid of any political opposition in that country.

I should like to take a moment to read to the committee an extract or two from the *Christian Science Monitor* of June 18, 1952, in which the chief far eastern correspondent of that paper, Mr. Henry S. Hayward, sets out some of the background. He says:

> The "communist conspiracy" which President Rhee charges is behind the current South Korean political tempest is largely fictitious.
>
> The "conspiracy" was conjured up, in other words, to justify the president's action in declaring a state of martial law, in arresting a dozen members of the national assembly, and in seizing emergency political powers.

Mr. Hayward points out that this article is based largely upon an interview he had with Mr. Paul F. Douglass, who is in Korea as one of Mr. Rhee's top political advisers. Having pointed that out, the writer of the article goes on to say:

> Claims that a communist conspiracy exists among members of the national assembly with whom Mr. Rhee is feuding, that the assemblymen have accepted bribes, and that an increase in guerrilla activity threatens South Korea's security—all these are trumped-up charges manufactured to disguise or justify the declaration of martial law, the arrest and intimidation of assemblymen, and the grasping of emergency powers that will permit Mr. Rhee to remain in command, Mr. Douglass explains.

Obviously my reason for reading a few sentences from the *Christian Science Monitor* is because of the reputation that paper has for objective reporting on matters of this kind. As my colleague the hon. member for Vancouver East, my leader the hon. member for Rosetown-Biggar and I have indicated on previous occasions, we feel that this is a matter of great concern to us. We knew when we went into the situation in Korea that we were not going to the defence of a well-organized and properly functioning democracy. We knew that we went in to take a stand against aggression. But I am sure the Secretary of State for External Affairs must agree with us that it is a pretty hard pill to swallow when we see that we would appear to be defending a regime that is engaging in such undemocratic processes, as is indicated in the news every day. I would hope that the Secretary of State for External Affairs would now be ready to state the views of the Canadian government in this matter.

Mr. Pearson: Mr. Chairman, it is quite true that I did indicate on previous occasions that during the discussion of my estimates I would make known our view in the matter. I am glad now to be able to do so.

In the first place, as the hon. member who has just spoken has indicated, we must be clear in our own minds as to the basis of our original intervention in Korea. It was not for the purpose of supporting or removing any Korean government, whether that government was bad or whether it was good; rather it was to defeat aggression and to carry out our obligations as a member of the United Nations.

Although that has been the purpose of United Nations intervention, as a country participating in this collective operation we cannot refrain from indicating our interest in what goes on in Korea itself. We certainly have an interest in such developments, and for at least three reasons. In the first place, the political objective of the United Nations in Korea—and that, of course, is to be contrasted with the military objective—as stated in the United Nations resolutions is to establish in that country a free, united and democratic government.

Secondly, any division and disturbance, to say nothing of civil outbreaks behind the lines, endangers the military position. We must always keep that in mind. It would be an ironic tragedy indeed if United Nations forces in Korea, there to keep the aggressor out, should have to be used to keep the peace among those people whom we are attempting to assist.

Thirdly, we have an interest because, as a member of the United Nations, we are participating in the relief and rehabilitation of Korea itself. So these events, though they may seem to be domestic in a certain sense, are events which must arouse our interest and concern. And they have done that, as is already indicated by the questions asked in the house.

I think it is no exaggeration to say that these developments in South Korea have been unhappy and, in a sense, dangerous to the

accomplishment of the United Nations objective there. The situation is not good from that point of view, and it does not seem to be improving—though constructive efforts are being made by United Nations agencies and by other governments to bring about a solution.

The present situation really dates from May 28 when martial law was declared in Pusan and in the area surrounding Pusan, and when certain members of the national assembly were arrested. We made inquiries about these events and, having satisfied ourselves as to what had actually happened, we addressed a communication to the Secretary General of the United Nations. For his part the Secretary General expressed his concern to the United Nations commission for the unification and rehabilitation of Korea in the following words:

> I have been following with deep anxiety the difficulties that exist between the executive and legislative branches of the government of the Republic of Korea and I have constantly and strongly endorsed the efforts of the United Nations commission to co-operate with the government in ensuring conditions of political stability within the country.
>
> Strict adherence to constitutional and democratic processes are all the more necessary in a country which must nurse and develop all of its resources to join members of the United Nations in repelling aggression and in promoting economic recovery. It is, of course, the responsibility of the Korean people and representatives to choose their own public servants but the United Nations, and especially those members providing assistance in Korea, cannot remain unconcerned when arbitrary methods are used which threaten to destroy the roots of democratic government. From the beginning of the United Nations responsibilities in Korea, there has been a paramount concern, expressed in every discussion on Korea in United Nations organs, that conditions should be created which would encourage the steady development of democratic, constitutional government.

And then he concluded his message by saying:

> You—

That is, the United Nations commission for the unification and rehabilitation of Korea.

> —have my continuing support in your efforts to assist the government in bringing the crisis to an end and in bringing the blessings of good government to the Korean people.
>
> I should be grateful to have you bring this message to the attention of the president of the republic.

I understand that that was done. We also hoped that the United Nations commission might be successful in its intervention to settle the dispute between President Rhee and his assembly. Syngman Rhee, the head of the Korean government, is a great Korean patriot and indeed has been considered by his people, and I suppose rightly so, as the architect of their freedom. He commands great support in that country and he remains its outstanding personality. Indeed our information is that there is no other comparable personality around which a strong government could rally. Therefore, it would be tragic if the end of the career of this great Korean patriot should be signalized by the destruction of democratic freedom and the rule of law in Korea.

We feel, and other governments which have expressed their concern feel, that if the Korean constitution has to be changed it should be done by lawful process and not by what has been termed, I believe, in the article which my hon. friend just read, a one-man revolution. I am sure that all hon. members will join me in hoping that the president of the Korean republic, who we all realize has held office in a period of great difficulty and cruel suffering by his people, will heed the friendly counsel that has been given and permit the normal processes of democratic government to be upheld in that country at a time when the menace from the north remains so great.

Neither Korea nor the United Nations can afford to have political disturbances behind the lines nor to permit the purpose of the United Nations or the safety of United Nations soldiers to be prejudiced by political intrigue and ambition.

Mr. Fraser: Did the minister hear the radio broadcast this morning when it was stated that Syngman Rhee's supporters in the assembly had swung chairs at their opponents?

Mr. Pearson: I did not hear that broadcast, but I suggest that that is one of the less dangerous manifestations.

Mr. MacInnis: Mr. Chairman, I think we all agree with the Secretary of State for External Affairs in what he has just said, but I think we should be clear about one thing in our minds. If a dictatorship is set up by Syngman Rhee or anyone else in Korea, that is a dictatorship outside of the communist dictatorship, then all that the United Nations have done in Korea in trying to protect South Korea will have been done in vain. No dictatorship could maintain South Korea against the communists because it would not have the support of the common people of South Korea. We realize that there was not a democratic government in Korea to begin with, but there was a nucleus of democracy. If Syngman Rhee is going to abolish all that and set up a dictatorship, the United Nations might as well move out because everything we shall have done up to date will have been lost.

Mr. Fraser: Is Syngman Rhee trying to have the council, or whatever you call it, elected by popular vote instead of by the

assembly as has been done in the past? He is trying to make it more democratic, is he not?

Mr. Pearson: I am not too sure of the details of the Korean situation, but I understand that the president of the republic is elected by the national assembly and not by direct suffrage. I believe that in the ordinary course the national assembly would be choosing a president some time in July and the president feels that it would be better to have the constitution changed so that at some subsequent time the president might be chosen by a direct vote of the people.

Mr. McIvor: Mr. Chairman, because of the sort of literature that has been coming to us and the press reports which have been published condemning the minister of external affairs, I think someone should stand up in this house and say that we are backing him to the limit in his work and plans for the peace of the world. It may be my nature to be impatient with these peace propagandists, but I think they should get after Russia because of the recent attacks made on Sweden and other places.

If the dominion government through the minister of external affairs had not supported the United States in stopping aggression in Korea, where would Korea be today? Where would Sweden be? Where would Norway be? Where would Finland be? Where would Denmark be? Where would we be later on? I know that the great Peacemaker says, blessed are the peacemakers, but He also said:

> Neither cast ye your pearls before swine, lest they trample them under their feet, and turn again and rend you.

I have admired the outstanding patience of the minister and I hope he will just carry on cheerfully and thoroughly and be one of those ready to say to those who deserve it: So far shall you come and no further.

Mr. Blackmore: Mr. Chairman, in view of the criticism which has been voiced about the minister's handling of the Koje matter, I desire to commend the minister upon his management of Canadian external affairs in connection with the situation relative to the United Nations actions concerning the use of Canadian forces when dealing with the Koje situation. I urge the minister to guard with utmost exactitude the sovereignty of Canada in all of his external contacts and relations.

Mr. Fulton: Mr. Chairman, I should like to take up with the minister a question which has been raised before concerning the safety of Canadians in China. This question in the main has revolved around the fate of Canadian missionaries in China. I want to make it perfectly clear that although my remarks will relate to the fate of Canadian missionaries, I am not concerned exclusively with missionaries or those of any one religious denomination, but with the fate of the comparatively large number—I use the words "large number" under the circumstances—of Canadians still in China.

I do not think it is necessary to rehearse at this time the discussion I had previously which was based on the statement made by the Prime Minister on April 21 as to the situation of some Canadian missionaries and sisters in Chinese prisons. On the basis of that statement it was suggested that the Prime Minister was minimizing the dangers and hardships they were undergoing. I have had correspondence with the Prime Minister and the Secretary of State for External Affairs on that point, and it certainly appears that every effort is being made, within the limits of current policy, first to find out exactly what the situation is, and then to do what can be done, again within the limits of current policy, to make certain that the treatment of Canadians is mitigated so far as possible. My remarks now are directed rather toward the limits of current policy.

The minister has consistently stated in discussing these matters that, because of the unpredictable nature of the communist regime in China, because it is not prone to have regard to what other governments say about it and to follow their advice, it has been his feeling and the feeling of his department that to criticize or make strong statements with respect to the treatment accorded to Canadians in China would probably do more harm than good and would prejudice the safety of Canadian nationals rather than improve their position. I think there is room for controversy regarding that policy quite apart from the question whether or not we have done all we can to look after our people over there. It is suggested that the policy of soft words and of extreme caution in discussing these matters which has been followed by the minister has, instead of assisting Canadian nationals in China, made their position worse because it has been taken by the communist government as an indication of weakness or lack of interest.

I know that you cannot make predictions as to how this peculiar form of ideology will react in the people who profess it. We cannot tell how they are going to react to anything we may say, but it certainly comes to mind that the communists believe in displays of toughness. They follow that policy themselves and I think we have seen through the communists' own methods in other situations that the only thing which the communists respect is strength. While I know we are not in a position to intervene actively in China, nevertheless it does occur to me that we might apply the same policy to our

expressions of concern and our intentions with respect to looking after the welfare of our nationals in China. In this regard I was interested in an article appearing on page 3 of the May 31st issue of *The Ensign*. It is a dispatch from Hong Kong and reads as follows:

A clear call to the press of the west to "tell the world" of the bitter and cruel persecution of the Christian church and its missionaires in China has been issued here by the editorial board of the China Missionary Bulletin.

I am sorry that I have to confess that I am not absolutely certain of my facts but I believe that the China Missionary Bulletin is not a Catholic organ although it is referred to in *The Ensign* which is a Catholic paper. I believe I can say that it carries additional weight in the sense that it represents several denominations. The article continues:

"Conditions for the church and for humanity in China are so bad that the world must be told about them," the board declares. Although there must be "due regard for the well-being of the heroic bishops, priests and people there," nonetheless, "the sad and painful" story must be told. "Suppression of clearly confirmed news will not serve to lighten the burden of the priests and people there," the board writes. "But it will play into the very hands of the communist terrorists who consistently use fear as a trump card. This must be understood: the free world can no longer afford to be duped by the Red game. The tendency to hold back news for fear of reprisals must be re-examined and re-evaluated," the board says pointing out that "Catholic missioners generally have not been prone to science. The differences between the world visions of communism and Christianity are so irreconcilable and the stakes are so high that there can be no minimizing of the horrors of communist terror. Remaining silent more often than not means falling victim to the communist game."

In the same issue on the same page there is also a report of an interview with two nuns who were imprisoned in China in which they themselves say that it is necessary and desirable that there should be the maximum publicity given to the maltreatment accorded to Canadian missionaries by the communist authorities in China. When you have the missionaries themselves, who it seems to me are the ones who know the conditions and who are the ones who would suffer if the policy should be wrong, saying that a policy of giving maximum publicity is not wrong, then I think we must consider very carefully whether we are following the right course in using cautious expressions and the gentle word, which has been the policy followed by the minister to date.

I do not want to do the minister an injustice and confuse two things. I believe that there must be caution in that what we say is based on fact. We must not make statements as to numbers or conditions when we do not know that those statements are absolutely accurate. However, I believe that once the fact is established—and there have been several facts established with respect to persecution and ill treatment—then I believe the strongest of language and the strongest of condemnation is called for. It is that policy that I would ask the minister to review and to say whether he does not feel that the time has now arrived for the strongest possible condemnation of the maltreatment which these Canadians have been receiving in China, not just because they are missionaries but because they are Canadian nationals and are engaged in works of charity and mercy.

Mr. Browne (St. John's West): Before the minister replies, I should like to draw his attention to one feature of the same subject. What co-operation exists between the Canadian government and the United States government which is also interested and which is responsible for many United States nationals who are in that country? During the past week I had a letter from the Passionist organization. Bishop O'Gara of Ottawa is the head of that organization in China. Together with five other Passionist fathers he has been under house arrest for the last two years. When the minister is replying will he tell us what the existing policy is with regard to co-operation with the United States in this respect?

Mr. Pearson: I welcome the opportunity to make a statement on this important matter, and I might deal first with the points that have been made last. I would say that we have maintained close co-operation with the United States in respect of the nationals of both our countries who are in China. We exchange information and views as to what can most effectively be done. We are both in the same position in the sense that neither government has any representation in China. As I recall, the last intervention that was made was made on behalf of the United States and Canada by the United Kingdom representative in Peking.

In so far as the remarks of the hon. member for Kamloops are concerned, I do not admit that we have indulged in soft words as the best means of assisting Canadians in China. If the hon. gentleman will read some of the statements that have been made in the house I think he will find some words which could hardly be considered as soft because the treatment that has been meted out to certain Canadians in China and to other westerners would not deserve soft words in describing it. It has been brutal treatment. It is bad enough, however, without exaggerating it, and that brutal treatment has not been applied to all Canadians.

It has been suggested outside the house in journalistic quarters that we have intervened too weakly and, I believe, that we have only intervened recently. The fact is we have intervened a good many times through the channels which are open to us. We have intervened in more than one way, not merely through the United Kingdom representative in Peking, though I am not in a position for obvious reasons to make public all the machinery that we have used in this matter. It has been suggested that we should have been stronger in our intervention and stronger in our denunciations and protests. The hon. member for Kamloops has indicated that communists are only impressed by a display of force. I agree with that, but I should add that my experience is that they have never been very much impressed by displays of verbal force alone. They carefully examine the material force which is behind the words you use. If you have not got ways and means of carrying out your statements, then they will not be impressed by them.

Mr. Fulton: I was speaking of the force of the statement, and not of any threat behind the statement.

Mr. Pearson: In the interventions and statements we have made, we have acted on the best advice we could obtain from our own experts and from other governments which were helping us, as to the manner of protest most effectively designed to help those we were trying to help. In the notes that we have sent, and in the statements we have made, the language we have used has been at least as strong as that used by other governments in the representations they have made.

In the letter which I wrote the hon. member for Kamloops dated May 9, and which I think has been made public, I concluded with the following words:

> You will agree, I am sure, that our primary concern in this matter must be for the safety and well-being of the more than one hundred Canadians still in China. From the outset of the troubles in that country, this has, in my opinion, made it desirable to keep statements upon as realistic and factual a basis as possible. These unfortunate people are exposed in a position where no one can help them if the communist authorities choose to ill-treat them. Therefore the utmost circumspection in public discussion is obviously desirable, and more restraint has to be shown than our feelings in the matter would dictate.

In this same letter to the hon. member I attempted to remove any impression that the Prime Minister's earlier statement might have left that we were a little cool to some of the mistreatment to which Canadians had been subjected. I included the following words:

> It is not easy to measure degrees of maltreatment. When the Prime Minister used the words "Canadians had not in general been physically maltreated," he was thinking of torture or anything causing bodily harm or permanent disability and he gave, I think, an accurate picture of the situation of the great majority of Canadians in China. However, I am well aware that the three Sisters of the Immaculate Conception who reached Hong Kong two months ago were subjected, if not to physical maltreatment, to the most degrading ordeals during and after their "trial." They were paraded through the streets where the mob was encouraged to spit upon them and to pelt them with filth. Others have suffered similar experiences. We understand that they have borne up well despite the hardships they have undergone, and it is thought, certainly it is hoped, that they will suffer no serious after-effects.

For obvious reasons, Mr. Chairman, we can never be absolutely certain of our information, but the factual situation in regard to the number of Canadians remaining in China seems to be as follows: On March 12, there were 168 Canadians still in China. On June 9, there were 121, so during the previous three months some had been able to get out. Of those 121, 40 are Catholic nuns; 39 are Catholic priests; 6 are Protestant missionaries with 1 dependent; 6 are non-Asiatic Canadians and 29 are Chinese Canadians. It is reported that of this number still in China, 7 are in prison, 4 sisters and 3 priests; 15 are under house arrest, 3 sisters and 12 priests. During the last few months 9 Canadians who had been in prison have arrived at Hong Kong, 3 sisters, 2 Protestant missionaries and 4 priests.

Mr. Fraser: Would that include the 4 who were sent out of China from the labour camp, and who arrived yesterday?

Mr. Pearson: I am not sure, but I do not think so because this information antedates that news as it appeared in the press.

As regards the general situation in China, the attitude of the Chinese communist authorities to Canadians, and the kind of life that Canadians have been living in China and the treatment they have received, I cannot do any better than to commend to hon. gentlemen as an antidote to the vapourings and ravings of Dr. Endicott on this situation of paradise which he has found in China, a very restrained report, which is all the more impressive because it is restrained in sense and in language, written by a missionary who has an abiding love and understanding of the Chinese people because he has been there many years. This report is by Dr. Kilborn, a medical missionary, and it has been circulated within the last few days by the board of overseas missions of the United Church of

Canada. I have read no more impressive report of conditions in China, and no more damning indictment of the reason for the deterioration of those conditions and of the attitude of the Chinese communists towards westerners.

Mr. Drew: We have had several answers which have explained the position of the government in regard to specific points, Mr. Chairman, which have been raised this morning. But it is in regard to the wider implications of this discussion that I should like to address my remarks. At the very outset I wish to suggest that we ought to ask ourselves what it is we really are discussing on this lovely June morning. What is it that is before the house at this time?

This is the first item in the estimates of the Department of External Affairs. It is the first opportunity that has been presented for several weeks—in fact, one might say two or three months—for a general discussion of external affairs. For that reason I believe we should ask ourselves exactly what it is that is before us. We are discussing survival. We are discussing our survival as a free nation, and the survival of western civilization; that is what we are discussing. Yet, we have an atmosphere of almost complete unreality in dealing with survival itself.

It is true that the first item of the estimates deals with the financial problems of the department, but it is the basis of a general debate. Events have occurred that have profoundly affected the position of this country and of the free world. The attention of the minister was drawn to something that he has done. It was pointed out that in the opinion of one hon. member it had not been wise to seize on this opportunity to publicly announce criticism of the course followed by the United States army in its direction of military affairs in Korea. I do not think the opening words of the reply of the Secretary of State for External Affairs should be passed over without comment. In reply to something which certainly should have been raised in this chamber, because it is something that has been commented upon generally in the press throughout Canada, the Secretary of State for External Affairs, in commenting upon the statement made by the hon. member for Broadview, said, "I am grateful to him for his advice on diplomacy." No hon. member sitting in this committee was unaware of the sarcasm behind that remark. That sarcasm was recognized by the laughter on the other side of the chamber which greeted his statement.

I wish to refer to that comment for this reason. Any attempt that has been made by the members of this party to present a unified front in principle on every possible occasion, so that no comfort could be taken by Russia or any other possible enemy in any evidence of disunity with regard to matters of basic principle, should not, I hope, be taken by the government as an admission that we are to be treated like children and are to be admonished any time we point out to the government things that we think should be corrected.

After all, truth is largely the result of open and free controversy. The very purpose of freedom of speech and freedom of exchange of ideas by every means of communication now open to us is not merely that people may have the pleasure of speech but that truth may result from the exchange of discussion and the exchange of ideas which take place in that way. When it comes to questions of principle, we want to be sure that, wherever it is possible, there be unity and agreement without regard to party affiliation so that it may be known that Canada stands united in every effective step that may be taken for the defence of freedom and of our civilization.

But we must examine what it was that the minister regarded as something which it was almost an affront to mention. The handling of a single infantry company was the occasion for headlines in relation to something that could easily have been dealt with by a private exchange of correspondence or by a telephone call. Whether the intention was what has been suggested by some editorials or whether it was not, the fact remains that this protest was regarded by responsible publications in the United States as something which was hardly in keeping with the relationship between Canada and the United States.

It should not at any time be suggested that we take our directions from comments in the United States. Nevertheless, at a time when we are seeking to strengthen the great partnership of the free nations of the western world, we must not ignore the effect of statements made by the Secretary of State for External Affairs, by the Prime Minister or by any other member of the government which speaks for the whole of Canada in international affairs. For that reason I would point out that this is not a case of someone presuming to come into this chamber and advise the minister on diplomacy. Even though the minister may not think that it is for him to take advice of that kind, I would point out that others have expressed their comments on this matter. For instance, a responsible publication in the capital of the United States, namely the Washington *Post*, referred to the note so much publicized by the

Secretary of State for External Affairs as a silly note. It went further; and I quote from what was said in an editorial in the Washington *Post* in relation to this statement:

> Actually the Canadian protest to the United States about dispatch of Canadian troops to Koje without prior approval from Ottawa was more than a trifle silly.
>
> The request reportedly was cleared with the British commonwealth commander in Korea who seemingly neglected to inform Ottawa. It would be ridiculous, of course, if a field commander had to seek government approval for every tactical disposition of troops. Either Canadian troops are part of a U.N. army or they are not. If they are, then the principle of international command must apply just as it applies to other troops in Korea.

That is the end of the quotation that I propose to read from that editorial. I mention this editorial which expressed sentiments similar to those which appeared elsewhere in the United States. I think that we as a nation must be extremely careful, and that the government which expresses the voice of Canada on behalf of all of us in international affairs must be extremely careful—and I think it is our duty to say that they must be careful—when they are dealing with something in relation to military activity in an area in which such an overwhelming preponderance of the responsibility for success rests in the hands of the government of the United States and the military commanders of the United States.

We are proud—and justifiably so—of the manner in which young Canadians have on this occasion carried forward the great traditions of this country, as they have done whenever we have been called upon as a people to assume our military responsibilities. The fact remains, however, that the overwhelming burden is being borne by the people of the United States. We must be extremely careful that we do not suggest to them that we are unconscious of the burden they are carrying or the sacrifices they are making. I also think that we should be extremely careful that we do not at any time say things which would in any way interfere with this great friendship of ours.

The only reason that I have raised this matter at this time is that when this point was raised this morning, the Secretary of State for External Affairs brushed it off as though it was almost an affront that it was raised here. I suggest that the House of Commons and the people of Canada who are behind Canadian efforts to build up the combined strength of the nations of the western world would have welcomed some indication by the Secretary of State for External Affairs that he himself thought the protest was a little bit silly and that we are not going to see any repetition of incidents of that kind.

We are now coming to the close of another session, and what is happening at this time is just exactly what we predicted would happen toward the close of this session. It will be recalled that at the very beginning of this session, on a number of occasions, we urged that the government place before the house the business with which we would be called upon to deal in a manner that would give us a continuing sense of reality, the opportunity for early debate and for the presentation of arguments which not only could impress themselves upon the members of the house but also convey to the people of Canada—through the press, the radio and otherwise—information with regard to the subjects which were before those who have been sent here as their elected representatives to do the business of Canada. At the time those suggestions were made, they were treated with scorn by the government. In fact, the attitude taken was that we were being rather presumptuous in telling the government what it should do about the business of the house.

Here we find ourselves with several important committees still meeting, which draw members from this chamber. We find ourselves with the estimates of the Department of External Affairs and the Department of National Defence still to be dealt with, as well as other important departments. All this has helped to create the atmosphere of unreality in which this present debate is now projected. It has been the result either of planned frustration or of complete failure by the government to understand how the business of this house can be carried forward in an orderly and efficient manner. It is one or the other. Hon. members are left to guess until the last minutes of the session at night what they are going to deal with the following day. Debates cannot be planned. Important measures are brought forward at the last moment.

The Chairman: Order. I am sorry to interrupt the leader of the opposition. It seems to me that he has now embarked upon what might be termed the general conduct of the business of the house, and it does not relate to the debate on external affairs, no matter how wide the debate may be on this first item. I would therefore ask him to come back to the subject of external affairs.

Mr. Drew: I was pointing out the reason for the atmosphere of unreality which must be apparent to every member who is sitting in this house, and I said all that I propose to say in regard to the incompetence and the planned frustration which have resulted in this situation.

Today we have reason for hope, and great reason for hope, that the growing strength of the western allies is going to fulfil the hopes and dreams of those who have supported the principles that have been put forward on behalf of Canada by this government. But there is no reason to treat this situation lightly. Too often subjects of the most far-reaching consequence have been dealt with in a casual manner, which has helped to convey to the people of Canada the impression that there is not that measure of urgency which I believe should be in the mind of every Canadian at this time. I would recall merely as an example, that when a situation arose in Berlin a short time ago which easily could have provided the spark that would have ignited all the combustible material that has been built up in that area, the Secretary of State for External Affairs summed up the situation in these words:

> There will undoubtedly be fireworks, but there is no reason for panic over the giant crackers or for relief over the rockets that burst in the form of a dove.

Words of that kind may possibly be useful on occasion. Apt expressions often are more useful than extended arguments in illustrating a point. I do suggest, however, that the gravity of the present situation is such that on every occasion when the events of the moment are described by the Secretary of State for External Affairs he should use words which will leave no doubt in the minds of the public that these are not fireworks, but that we are confronted with the most critical situation that has ever confronted free nations except in time of general war.

It is even possible that never before have we been confronted with as critical a situation as today, because if we lose this struggle we lose freedom not only for years but for generations.

So that we may get this subject in its proper perspective I should like to quote from a book which has just been published by Drew Middleton, the head of the New York *Times* European bureau, under the title "Defence of Western Europe". I do so because he is generally regarded as one of the most competent observers of international affairs. He has written this book as a result of interviews with officers and civilians who have escaped from behind the iron curtain. He has written it as a result of confidential discussion with men of the highest authority. For that very reason it is one of the very significant books of this year, and perhaps of many years. I should like to quote from this very recent and very important book, pointing out that we are now in the most vital period of this cold war, which can become a hot war at any time.

[Mr. Drew.]

He points out that we are at the same stage in relation to Russian preparation that we were in relation to German preparation two years before the outbreak of the last war. He points out that the production of Soviet Russia and its satellites is rapidly mounting to a crescendo, and that within two years it will have reached its peak. For that very reason, if Russia contemplates war, 1954 is the target year for any efforts that we should be making.

He does not approach this subject with the thought that war is inevitable. On the contrary, what he is trying to do with all the vigour, with all the earnestness and with all the sense of reality of one of the really great war correspondents and military observers of modern times, is to point out to the people of the free world, while there is yet time, that we are not going to coast by any easy route into the distant lands of promised peace; but that if we are going to have the kind of peace that we want we are going to pay for it in effort and in money.

What he seeks to point out by the most earnest argument is that we must put forward every effort with a sense of the utmost urgency; that there can be no easy course, and that we are certainly going to feel the strain of our effort if that effort is to be successful. In a nutshell, what he tells us is to remember that those who have examined the records tell us today that if only the free world had displayed such unity in 1939 they could have prevented the war even with all the German preparations. The question is whether, with that evidence so recently before our eyes, we are going to prevent another war, when preparations on an immensely greater scale are taking place within exactly the same pattern today.

Then he refers to the statements of General Mast, the great French general. We may well listen to what he says about General Mast's observations, just as we might wish today that we had listened to the advice of General de Gaulle in the days before the last world war. The French army's collapse in 1940 was certainly not the fault of that officer of great foresight and great vision who predicted the manner in which any armoured threat might be met and might be overcome. He made his predictions in words that unfortunately were picked up and copied by General Guderian and other German armoured commanders for the purpose of organizing their forces in a manner that brought such dramatic and terrible success. I refer to that because perhaps the very fact that General Mast is no longer an active member of the French general staff may incline some to forget the importance that is attached by many people to the views that he has put forward. I quote now

from Drew Middleton's book, and shall continue to quote until I indicate that the quotation is ended:

> The first point made by General Mast is that although our present concepts of Soviet power are based on the peacetime strength of the Russian military, naval and air services, we should be confronted, after a partial mobilization, with 250 divisions of ground troops, 20,000-30,000 aircraft and more than 300 submarines. After three months of full mobilization there would be 350 divisions; this figure would rise to 500 divisions by the end of the first year of war.
>
> This is the basis, General Mast points out, on which the West must make its calculations if it wishes to avoid, in an infinitely more important arena, the underestimates made at the beginning of the Korean war.

I am still quoting from Drew Middleton's book where he refers to General Mast's book:

> Although this book is concerned principally with Europe and its defences, it is worth quoting General Mast's appreciation of the direction of the Soviet attacks in time of war. He lists them as:
>
> 1. A naval, air and ground attack in the Arctic aimed at the capture of Alaska and Iceland.
> 2. An air-ground attack in the Middle East aimed at the occupation of Persia, Iraq, Saudi Arabia and the isthmus of Suez.
> 3. An air-ground attack on western Europe and North Africa aimed at the conquest of all Europe and the elimination of western military power from the entire North African shore of the Mediterranean.
> 4. A harassing action in East Asia (Korea and Japan) accompanied by indirect action, carried out by China, in southeast Asia.
> 5. World-wide naval action by submarines against the seaborne transport of the anti-Soviet coalition.
>
> It is General Mast's contention that the Soviet union will be capable of undertaking all these operations simultaneously. He divides the forces allotted to these operations as follows:
>
> Alaska and Iceland, 3 to 6 divisions and 1,500 aircraft;
>
> The Middle East, 40 to 60 divisions and 5,000 aircraft;
>
> The Far East, 20 Soviet divisions and 5,000 aircraft, plus Chinese reinforcements.
>
> For the European theatre of operations, General Mast divides the effort in this way:
>
> Scandinavia, 15 to 17 divisions and 1,000 aircraft;
>
> Western Europe, 120 divisions, initially, gradually increased to 180-190 divisions plus 10,000 aircraft;
>
> The Balkans, 35 divisions plus 1,500 aircraft plus the armies of the satellite states. These latter we will discuss in detail later.
>
> Thus a general officer of the highest professional qualifications. The numbers seem like figures in a nightmare, rising and falling before one's eyes. Yet they represent the capacity of the great power complex with which we are now faced.

That is the end of the quotation from Drew Middleton's book that I propose to put on the record. These are Drew Middleton's words: "The numbers seem like figures in a nightmare, rising and falling before one's eyes". Yes, they are a nightmare. Those in this chamber who saw the effect of military superiority when it was directed by the German general staff from 1914 to 1918 and again from 1939 to 1945 know what military superiority at the outset of any war really means. They know the terror; they know the anguish; they know the horror of trying to build defence forces under pressure of that kind, of trying to meet the threat of superiority of that nature, which constantly approaches nearer to complete and utter victory.

Right across this country today there is a challenge to those who have seen what that kind of thing means, a challenge to create in the minds of our people—and there is a similar challenge in other free nations to create in the minds of their people—a sense of urgency and a sense of reality in the face of nightmare figures of that kind.

The Secretary of State for External Affairs has said, and with such truth, that Russia is never very much impressed by verbal force. He told us just a short time ago that they examine what real force lies behind the statements that are made. I am suggesting that the statements that are made here at this time, statements that are made with that nightmare reality before us and with other balancing considerations before us, must be assessed with a full recognition of what it is we are trying to do, and the purpose towards which the combined efforts of the free nations are directed, both in the Atlantic and the Pacific areas at the present time.

One hon. member said a short time ago that we should say to Russia, "Thus far shalt thou go, and no farther." By all means, let us say that. But with what? If the Secretary of State for External Affairs is correct in his analysis of the Russian position, then, unless we are resting entirely upon our confidence in the atomic bomb, let us assess quite carefully what it is we are hoping to do to meet figures of the kind I have just put forward.

What I wish to emphasize particularly is that the Department of External Affairs and the Department of National Defence do go hand in hand in preparing for the defence of freedom of the Canadian people at this time. It is the function of the Department of External Affairs to make the international arrangements and to assist in creating the pattern within which our military contribution forms part of the great international framework devoted to the hope of peace and security.

We all recognize that with a population of 14 million people, as compared with the 160 million in the United States, the more than 50 million in Great Britain, the nearly 50 million in France, the more than 50 million in Italy, and all the other millions in the other free nations of western Europe, we are of course only a part, and perhaps a relatively small part, in that great team which is now building its strength for the defence of

all the free nations which are confronted with the threat represented by the figures I have just placed on record.

We certainly will support what is done in that respect. But to give reality to the enormous sums which will soon be asked from this House of Commons for purposes of national defence, it is important that the Secretary of State for External Affairs, in a much clearer manner than has yet been done, should put before the house exactly the pattern into which this military contribution is going to fit.

On earlier occasions members of this party have put forward the contention that we should be re-examining our military organizations, that we should be remembering that military logistics suggest that our effort should be directed to the building up of the most compact, hard-hitting and mobile forces in view of the fact that, of necessity, in any combined effort, they will likely be moved far from the shores of Canada to keep any threat away from us.

The possibility of having a discussion in regard to that subject in terms of complete reality would suggest the advisability of our knowing much more than we now know of what was really discussed at Lisbon, what was discussed earlier here in Ottawa and what was discussed elsewhere, so that we may not simply have the bland assurance that what we are doing meets with the approval of the NATO organization. Rather we want to know what the real plan is and be ready to support it and contribute our part to that plan consistent with the best possible use of the industrial and other opportunities that we do possess.

In saying this I wish to place before the committee at this time the suggestion that we remember the vital importance of Europe to Canada, to the United States and to the free world, not merely as the home from which our civilization sprang but rather as to what it means today in the contribution it could make to the combined strength of the free world. It is not just the great historic territory west of the iron curtain; it is not just the area in which our culture found its expression before it came to this continent; it is not just the area where 200 million vigorous, educated and cultured people live and are bound to live in the future.

Let us think of what it means to the balance of military power if under any circumstances, either by military aggression or by political action, western Europe, the cradle of our civilization, came under the domination of the Kremlin. Think of what it would mean in terms of the great gun plants, of the great armament factories, of the aircraft factories and of the naval bases. Think of what it would mean if all that production were under integrated control. Think of what it would mean if throughout the whole of Europe, from which modern industry emerged, they were pouring out guns, tanks, aircrafts, machines of war as well as ships and the other military requirements of world power.

Let us remember, simply as an example, what the occupation of Poland, of Czechoslovakia, and of East Germany has meant to Russia where they have been able to take over the Bergenhutton steel plant of Poland, the Skoda plant at Pilsen and the great gun and armament plants of East Germany. The reason our troops and the troops of the United Nations are undergoing such difficulties in Korea today, the main reason perhaps why the communists may well be planning the delays that are now taking place, is that the highly developed industrial and military skill of East Germany, Czechoslovakia and southern Poland are now under the most dreadful compulsion to work for the Soviet empire.

Think of what it would mean if all the great gun plants of the whole of Germany, of France, of Italy, of Belgium, of Holland, yes and of Britain as well, were under unified control. Think of what it would mean if all those plants were producing aircraft to a single design. Think of what it would mean if they were producing submarine parts in all countries of Europe to be assembled at the naval bases in the Baltic, on the Atlantic coast and in the Mediterranean.

This is not a distant possibility; this is an immediate possibility unless the plans we are making bear fruit and preserve us from the threat that is constantly before our eyes. The Schuman plan for the unification of steel production in Europe has not yet reached fulfilment but it would become a dreadful reality under the most terrifying form of integration. Think of what that would achieve under the awful compulsion by which they would employ the brains to direct those operations.

I have reviewed these possibilities simply to suggest that we get back to reality. We are not discussing ordinary administrative problems of government, we are discussing nothing less than the survival of our civilization. Canada will never stand alone. Canada has indicated, and the government has expressed, that opinion with the full and unqualified support of the members of this house. But there has been plenty of evidence that the people of Canada have not found in the statements made by the Secretary of State for External Affairs or in the interpretation

of our position by this government that sense of urgency and reality which conveys to their minds the necessity for the amount of co-operation which will prevent a third world war.

Whatever differences of opinion there may have been, and some of those differences have been expressed in recent days, whatever may have been said this morning about our desire for a more dignified and more co-operative point of view on Canada's part which recognizes our place on this great team of free nations, it is with our eyes on the future and the understanding of all that another world war would mean that I urge with all the sense of urgency I can express that we keep in mind what Canada has suffered already in two world wars and realize how much more terrible a third world war would be.

I am simply urging that in our discussion of the affairs of the Department of External Affairs and the Department of National Defence we keep before our eyes at all times the fact that nothing less than the most effective use of the great strength of the free nations will prevent another world war and keep that peace which is our one and only purpose.

There are many people in Canada today whose relatives live beyond the iron curtain. They ask themselves what hope there is of being reunited eventually, within their own lives, with those they left in the lands where they were born.

Today in this country people of German stock whose relatives are now in Eastern Germany, people of Polish stock, of Hungarian, Bulgarian, Roumanian, Lithuanian, Latvian, Estonian, Ukrainian and Chinese stocks, yes, of Russian stock as well, are all asking whether the present division of this old world of ours is permanent or whether the efforts that we are making to prevent war and preserve peace is something that offers some hope, in the years ahead, of their being able to rejoin their relatives, meet them again and establish those contacts that decent human beings all wish to maintain. In the plans that we are making today I think we should offer hope not only that these plans contemplate a static peace but also that in due course the strength of our position may offer the opportunity to all nations to determine their own form of government and the way they will live as they were promised in the charter of the United Nations when it was signed in San Francisco in the spring of 1945.

This surely is a hope that will give new spirit, encouragement and faith to many people today who are constantly suffering the anguish of complete separation from those who are so dear to them. In that regard I think we should remember that for long years in the past there have been great associations of nations which maintained peace by the strength of their defences. Then in the course of years there were improvements in the relations between those nations, and ultimately they came closer and closer together. In the early days of the present century we came very close to establishing the kind of world in which there would be a constant freedom of movement, in which people could not only exchange ideas but also move freely from land to land. It is difficult for us to realize today that in the early days of the present century it was possible for a person to move around this world of ours without a passport, and that it was even possible for people to move with almost complete freedom in Russia itself when they visited that country.

That is a kind of world we have almost forgotten but that was a kind of world which emerged, with all its weaknesses and all its faults, at a time when the combined strength of free nations preserved peace against the threat of aggression. I would hope that we may not only look to a static peace in which there will be great armed camps on one side of the iron curtain and great armed camps on the other side but that we may also look forward to the day, distant though it may be, when in God's good time the fortitude, understanding of their purpose and the combined strength of the free nations will not only offer the hope of peace and security to us but will bring to those nations now in slavery the promised peace and freedom which they were assured by the charter of the United Nations.

It is with that dream, it is with that hope of a day when even the people of Russia may find that freedom which they have so richly earned by their own sacrifices in time of war, that I urge that we cast our eyes toward the very real world in which we live at this time, and that we discuss all these problems in terms of cold reality. At times when one hears some of the exchanges that take place, when one hears explanations that seem to have so little regard for the fantastic figures of the military might to which we are opposed, it almost seems as though the one thing that would do any good would be for all men to go out and shout at the top of their lungs, through megaphones amplified by every loud speaking device that would give their voices strength: "For the love of all that is dear and sacred to the people of Canada today, wake up!"

Mr. Pearson: Mr. Chairman, I think at least the earlier remarks of the hon. gentleman deserve some comment from me, and

for the next minute or two I propose to make that comment. He indicated that when this discussion began and the question of the dispatch of a Canadian contingent to Koje was raised by the hon. member for Broadview, my opening observations on that subject gave the impression of sarcasm, and that I was merely interested in brushing off what the hon. member for Broadview said as an affront. I suggest to the hon. gentleman that when he mentioned my opening words he should also have mentioned the opening words of the hon. member who preceded me and who in those words stated that this action of the Canadian government in defence of a principle to which it is committed, and to which I think the Canadian people are committed, was inspired by a publicity machine. If those remarks had not been made by the hon. member for Broadview, possibly my opening remarks might not have been made in the same tone as they were. That, I think, sufficiently explains the way this subject was introduced by me.

The leader of the opposition indicated that we on this side will not accept either advice or criticism on such an important matter as foreign affairs. I assure him—and I do not need to assure the committee—that the government on this particular subject, as on other subjects, is always very glad indeed to accept criticism and advice. We have no illusions of either omniscience or infallibility. The Koje matter arose—and I do not wish to labour the point—because of a principle to which we attach importance, and we declared our support of that principle and our understanding of its importance by a statement in the house. The hon. gentleman has stated, and I have no quarrel with him in the statement, that it has caused a great deal of attention, especially in the United States. He has read from an estimable and highly regarded United States newspaper, the Washington *Post*, which described our intervention on this occasion as a silly note. I submit that the Washington *Post* rather misunderstood the Canadian position, but if the hon. gentleman wishes to associate himself with that description of our intervention to protect the entity of the Canadian brigade in circumstances which were not governed by military considerations I have no quarrel with him.

Mr. Drew: Mr. Chairman,—

Some hon. Members: Sit down.

Mr. Drew: On a question of privilege, I am not going to allow that kind of remark to stand unchallenged. I did not associate myself with that statement, and the *Hansard* record will make quite clear the way in which I introduced that remark. I would suggest that an observation of that kind is exactly the kind of observation that carries this debate away from the level that should be maintained. Mr. Chairman, it is one o'clock and I suggest that we rise.

Mr. Pearson: Before we rise, in reply to the question of privilege, I suggest if the hon. gentleman does not associate himself with the statement of the Washington *Post* then that is quite satisfactory to me. All I know is that he read it with apparent approval.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. Hees: I should like to refer back briefly, Mr. Chairman, to a discussion we had this morning on the Koje incident. I am trying to satisfy myself about this question of the timing of the protest which was sent to the United States government. In a moment I shall ask the minister to answer one or two questions.

On May 26 the minister made a statement in the house, as recorded at page 2552 of *Hansard* for that day. He said:

> The government feels that it is essential that the Canadian policy in respect of the breaking up of the Canadian brigade for miscellaneous duties in Korea should be made clear. A note has accordingly been presented to the state department in Washington.

From that, one would assume that a formal diplomatic note had been sent off by the time the minister spoke in the house at three o'clock in the afternoon. However, two days later there is a United Press dispatch from Washington which reads as follows:

> The state department said today that it sympathizes with Canada's objections to the assignment of Canadian troops to the Koje island prison camp. However, department spokesman Mr. Michael J. McDermott said that it has not given Canada any formal assurances pending the arrival of a formal diplomatic note.

On the afternoon of May 28, as recorded at page 2659 of *Hansard* for that day, the hon. member for Peel asked the Secretary of State for External Affairs the following question:

> May I ask the Secretary of State for External Affairs whether or not he has found out what has caused the delay in the mails between Ottawa and Washington with respect to some of his recent correspondence with the United States government?

The minister replied as follows:

> As far as I know there has been no delay whatever in this matter. I assume the hon. member is referring to the statement which I made on Monday. That statement was in the hands of the United States state department in Washington, and indeed in the hands of the United States embassy in Ottawa, before it was given to the house.

You will notice that the minister mentions a "statement" but not a note. Later on that same day we had another United Press dispatch from Washington which was filed at ten o'clock at night and which says:

> Canada sent a formal note to the United States today, demanding that it be consulted on any future decisions to split up units of Canadian forces serving in Korea.

As I understand it, and the minister will correct me if I am wrong, there is a difference between a formal diplomatic note and a statement. As I understand it, a statement is a sort of memorandum, sent between one government and another, and which requires no answer. A formal diplomatic note is a formal message between two governments that requires an answer.

From the news dispatches I have read, and the statements in the house, I am led to believe that, although the Secretary of State for External Affairs made a statement to the house on Monday, May 26, a formal diplomatic note was not received by the state department in Washington until forty-eight hours later. Perhaps a statement might have been received, but not the formal diplomatic note which was required. Can the minister clarify that situation?

Mr. Pearson: Yes, I think I can clear up the point that is troubling the hon. member. The timing of those events to which he has referred is as follows: Before the statement which I gave to the house upon the Koje matter was made on May 26 our ambassador in Washington had left a copy of that statement with the state department. In diplomatic parlance, I suppose it would have been called an oral note—a note of the statement that I was to make that afternoon in the House of Commons in Ottawa. A copy of that statement was handed also to a representative of the United States embassy in Ottawa. It is, therefore, strictly accurate to say—no matter what press reports may have stated to the contrary—that the statement which was made in the House of Commons in Ottawa was made after its contents had been conveyed to the United States government through the state department and through the United States embassy in Ottawa.

When the state department received this oral note from the ambassador they said that if a formal reply were desired it would be preferable to resubmit the oral note in the form of a formal diplomatic note. That was done the next day, and a formal reply was received the day before yesterday. The actual terms of the statement, in the form of an oral note delivered by the ambassador to the state department and by this department to the United States embassy here, were in the possession of the United States government before the statement was made.

Mr. Hees: Would it not have been desirable to send off a diplomatic note at the same time as the statement was made in this house, especially in dealing with a touchy matter such as this? Does the minister not consider that might have been a desirable thing to do?

Mr. Pearson: It might have been. It could have been done that way. I am not suggesting that the exact procedure adopted was the best one; that is a matter of opinion. We thought that in doing it in the less formal way, as we did originally, we would deal with this matter in Washington on a less formal diplomatic basis and obtain the assurances we thought we had a right to request from the United States. They felt that if we wanted these assurances the first note should be resubmitted as a formal diplomatic note so that we would get a formal diplomatic reply, and that was done.

Mr. Hees: I believe that the move the minister decided upon in the first place would have been very satisfactory, if it had not been accompanied by the very undesirable headline publicity. That was what bothered the state department.

While speaking this morning in reference to my remarks, the minister spoke as though the government were the only body interested in maintaining the unity of the Canadian forces serving overseas. I should like to refer to my remarks this morning when I said, "if this assignment were to be a permanent one, or if our troops were to be sent outside the theatre of operations, then the protest would have been justified, provided the United Nations commander did not first receive the permission of the Canadian government." In other words, if our forces were to be broken up for anything but a very temporary assignment, or if they were to be sent outside the theatre of operations, of course the Canadian government should be notified, and permission received.

However, I went on to say that, in my opinion, if the duty were a temporary assignment, within the theatre of operations, merely to do our share of the routine chores, then I thought it was almost ridiculous to expect the United Nations commander to follow that same procedure with all sixteen governments who have troops serving under him in the Korean theatre. If he wanted someone for guard duty, or almost any kind of routine duty, it seems to me almost ridiculous that the United Nations commander should have to take the time and trouble to obtain the permission from Canada or Turkey or any of the other countries that have troops serving

in the area before assigning troops to that work. If the commander desired to assign troops to some permanent detail, where they are going to be some months away from their mother formation, or if they were going to be sent outside the theatre of operations, that would be a completely different thing. To me this is something which ties the hands of any commander unnecessarily. I think we must remember the tremendous responsibility which a commander like that has. Just so that we may know where we stand on this matter, does the minister really believe this? If, in future, the duties that the United Nations commander wishes some portion of our troops to perform are in the nature of a temporary assignment, within the theatre of operations, and are simply a matter of routine duty, do the minister and this government feel that on every occasion this government's permission must first be obtained?

Mr. Pearson: Mr. Chairman, that is a matter of opinion. When the hon. gentleman talks about the impossibility and the undesirability of a United Nations commander in the field having to consult sixteen governments before he uses their troops for temporary duty in any way in which he may see fit, that is one way of stating the case. The fact of this situation is that there are, I think, only two governments in Korea—apart from the United States government—which have self-contained forces there to be used there as an entity; other forces are there as small contingents and under the terms of reference under which they were submitted to the United Nations, there may be no mention of the way in which they should be used. They are battalions and even smaller than battalions. We sent a self-contained brigade. As I indicated this morning, in making that brigade available to the United Nations for combat duty—and that phrase was used in our submission to the Secretary General—in the directive to the brigadier it was made quite clear that the principle of the separate entity of Canadian forces was at all times to be maintained; and that principle was made clear to the unified command.

It was therefore felt that, before detaching even a small part of this brigade for duty 200 miles behind the front lines where the brigade was stationed, it would have been advisable—as no military consideration was involved—for the unified commander to have apprised the Canadian government of his desire. That was the only point at issue. Now that the exchange has taken place between the two governments, that point has been cleared up in a way which is satisfactory to us and, I think, to the United States government.

It is always a difficult problem in combined operations of this kind, especially United Nations operations, to reconcile national interests and international action, as I mentioned the other day. I hope that as a result of this exchange and this clearing of the air that problem will not arise in the future. It is also quite clear that not merely this government but all Canadian governments have attached great importance to the principle of Canadian troops serving under Canadian command and being under Canadian control when they are in combined forces, always subject to considerations of military emergency. In respect of our association with other commonwealth forces in the last war we went to the extent, in this House of Commons, of passing the Visiting Forces Act to make sure it was done in this way.

Mr. Hees: There is just one more question I should like to ask the minister and it is this. If in the future we find ourselves called upon to make a protest to an allied government about some matter such as this, does the minister not think that instead of doing it in the way of headlines, it would be preferable to do it between the two governments in a quiet, restrained and unpublicized manner? Which does he think is the best way of carrying out this kind of communication between governments?

Mr. Pearson: I can answer that question only by saying that we should be governed by circumstances. This was a situation which we thought was of far greater interest and importance to Canada than it was to the United States or to the United Nations. We therefore made our public statement in the House of Commons. There may not have been in our minds any idea that that statement would cause the headlines that it actually caused in the United States and would arouse as much interest among the editors of certain newspapers such as the Chicago *Tribune*, the Patterson press, and the Hearst press as well as the Washington *Post*. I would not want to lay down any hard and fast rule governing situations of this kind.

I think that in any difference of opinion with a friendly government we must always weigh two factors, namely the protection of our own national interests and the effect that any public discussion and division of opinion would have on the unity and the solidarity of the coalition. Those two factors must be taken into consideration in any statement we make or in any action we take which may not be agreeable to some other member of the coalition. In this particular situation, as this was an important matter of principle although the number of troops involved was small, in order to emphasize this Canadian

interest we decided it would be well to make our statement publicly in the House of Commons.

Having said that, I agree entirely with my hon. friend when he says that we should be extremely careful, in any of these differences we may have, to weigh the effect of a public difference on the unity of the alliance. We are all free countries in this coalition. We have to pay a certain price for freedom. One way in which that price is expressed is in our right to disagree publicly with each other. In doing that we cannot help, on certain occasions, giving ammunition to our enemies. There is no doubt about that. But nevertheless we should not give them any more ammunition or any stronger ammunition than the circumstances make necessary.

Mr. Herridge: Mr. Chairman, I intend to change the subject and to take the opportunity provided by consideration of the minister's estimates to make a few observations concerning an organization that comes within the jurisdiction of the minister's department. It is an organization that has demonstrated co-operation and great achievement throughout the years based on good will and friendship between two great countries, Canada and the United States. I am referring particularly to the international joint commission. I am making these few observations this afternoon because I believe that there are a great many people in Canada who are not aware of the importance of this commission or of the good work that it has done throughout the years, and particularly on account of certain remarks made in certain places and in certain editorials and press comments across this country in connection with the personnel and the functions of the commission.

Before I proceed, Mr. Chairman, I might say that we in this group have a high regard for the functions of the international joint commission and for the way in which it works. This getting together of two countries to assemble facts and evidence and then, as a result of that assembling of facts and evidence, to decide where a structure shall be built for the development of our natural resources to the advantage of the people in both countries in many cases, or in one country or the other, is a clear indication of the type of planning that we in this group believe in.

I understand the major functions of the international joint commission are two in number. The first is the hearing of and dealing with applications received from governments or companies who wish to erect certain structures that will affect the level of waters at the international boundary. The second is in dealing with references made to the commission by the governments of Canada and the United States for certain investigations. I understand that the first applications for investigations were heard in 1912, or that the first application for hearing before the commission was made at that date. Since that time I understand some 45 hearings have been disposed of by the commission. In a previous debate an hon. member said that there should be an investigation of the work of the international joint commission. I cannot see that point, Mr. Chairman, because anyone who wishes to peruse the evidence placed before the commission in all the hearings since 1912 to this day and the disposal of those hearings would have a very thorough understanding of the function and the work of the international joint commission. I understand that at the present time there are three applications before the commission: one from the government of the United States concerning the dam at Libby, Montana; one from the Consolidated Mining and Smelting Company concerning the erection of a dam at Waneta; and one from the city of Minot, North Dakota in the United States, concerning some action that will be taken on certain waters.

So far as investigations are concerned, I understand that eleven have been completed from 1912 to date, and six are still in progress. I mention these things briefly, Mr. Chairman, because I live in a constituency which is very interested in the work of the international joint commission at this time, and has been for some years. It is considering some very great problems of that area. I have had the opportunity to attend hearings in the United States and in Canada. I might say that personally I have been greatly impressed with the work the commission is doing and all the people whom I have met who have had an opportunity of attending these hearings have recognized the great value of the work the commission is doing.

I understand that the investigations still in progress are concerned with the Columbia river basis reference, which was issued on March 9, 1944, an investigation of tremendous importance to the people of southeastern British Columbia; the Sage creek reference of April 8, 1946 and the midwestern watershed reference concerning Waterton and Belly rivers and Souris and Red rivers of January 12, 1948, and the air pollution reference of January 12, 1949; the Saint John river reference of September 28, 1950, and the Niagara Falls reference of October 10, 1950.

I mention these, Mr. Chairman, to place on the record the fact that the commission is now making investigations that concern western Canada, the central provinces and eastern Canada. It is making investigations

of great importance to the Canadian people. In view of the great industrial development and the need for power and the need for agricultural extension, there is no doubt about it that the importance of the work of the international joint commission is increasing from year to year. As a matter of fact, wise decisions on our future development depend to a great extent upon wise decisions made by the commission.

I want to make a brief reference to the personnel of the commission. Who are the people charged with the responsibility of representing Canada on the international joint commission? We are fortunate, Mr. Chairman, in Canada in having the type of personnel on the commission that we have at this time. I am mentioning this fact particularly because I think that well qualified men who make some personal sacrifice to serve Canada, as some members of the commission are doing at this time, should be recognized in this house and in the country. We have as the chairman General McNaughton, whose record in the first world war as a soldier, and in the second world war, was outstanding. He is a scientist, an outstanding engineer and administrator. He was the president of the national research council for some time. Mr. George Spence is the second member of the commission. He was a pioneer farmer in western Canada and has had long experience in the legislature, in parliament and in public affairs. He has shown himself to be an outstanding administrator in the administration of the Prairie Farm Rehabilitation Act, and wherever he has gone his, shall I say, earthy and practical qualities have been recognized particularly by the farmers who attend the various hearings.

Then we have Mr. Lucien Dansereau, an engineer of long experience with the Department of Public Works, a man of wide experience in the field of public works in Canada and in eastern Canada, and in the administration of matters of that sort. In addition to that we have on the international joint commission a loyal staff. Some of the members have been serving that commission for a good many years. They have given loyal and devoted service. More than that, they are a staff who are particularly interested in the success of the commission's activities and in the work the commission is undertaking.

As I said before, I have had the opportunity of attending some of the hearings, and I have read a good number of reports of the various references and of the applications, and I have thus been able to obtain some knowledge of the work of the international joint commission. There is no doubt about it, Mr. Chairman, that we in Canada are most fortunate to have the present members acting as members of the Canadian section of the international joint commission. They are doing a great work of great importance on an economical basis. I believe, Mr. Chairman, that a close examination of the figures will show that our international joint commission has performed a greater service at a less per capita cost throughout the years than any other international commission in the world. Knowing these facts, Mr. Chairman, I am sure that hon. members and the majority of Canadians will join me in paying tribute to the work of the commission in the past and to the excellent work that the international joint commission is doing for Canada today.

Mr. Pearkes: Earlier in this session similar attention was drawn to a decision handed down by the international court of justice, supporting a claim by the Norwegian government for the right to define that certain waters be included as territorial waters of the Norwegian government, which before that date had not been included as territorial waters.

In their submission to the international court of justice the Norwegian government adopted what might also be called a new theory, in that they defined a base line which ran from headland to headland along their coast, and from that baseline westward they included a zone which they considered was their territorial waters. I might say that the definition of this new territorial water affected the fishermen of the United Kingdom who previously had fished in those waters. Now a very similar problem arises in connection with the territorial waters of Canada, both on the Atlantic and on the Pacific.

I bring this matter to the attention of the Secretary of State for External Affairs at this time because of a recent agreement which has been made, known as the north Pacific fishery agreement, based on the peace treaty recently ratified with Japan. By that fishery treaty, Japan, or Japanese fishermen, agreed to abstain from fishing salmon, halibut and herring in the north Pacific; but they have the right, as they have always had up to now, of fishing for other species of fish off our Canadian coast. Not to any great extent have the Japanese in the past availed themselves of that right. But the right exists, and the right has been recognized by the fact that only those three species are included in the abstention clause. There are certain waters on the Pacific coast which one can only define as being inland waters lying between such islands as Vancouver island and the Queen Charlotte islands. They

include such waters as Hecate and Queen Charlotte straits and so on which, in the past, have been regarded as the high seas. They extend for more than three miles from any line drawn which follows the indentations of the British Columbia coast line.

For many years the fishermen of the United States have exercised the historic right of fishing for certain species in the waters between Vancouver island and the mainland, and between the Queen Charlotte islands and the mainland. I understand an interdepartmental committee has been set up in order to study this whole question of the definition of territorial waters. I would ask the minister to tell us what progress has been made by that interdepartmental committee in the discussion of this subject, because many departments are affected. I understand however that it is under the general conduct of the Department of External Affairs which, naturally, would be the department most vitally interested. I would ask how active that committee is, how many meetings they have held this year, when the last meeting was held, and what progress is being made.

Mr. Pearson: Mr. Chairman, the hon. member has raised a point of both practical and legal importance. The traditional position of Canada and a good many other countries has been, as hon. members know, to recognize the three-mile limit as the limit of territorial waters, though outside that three-mile limit it is usually understood that there would be a jurisdictional area extending farther.

This is an important matter from the standpoint of fisheries. The approach to it usually varies, in certain countries, according to whether the fishermen are inshore or offshore fishermen. There is another aspect of the question the hon. member has touched upon, namely the establishment of inland waters—whether one must follow the indentations of the coast line in establishing the three-mile line, and declare anything outside of that as open sea, or whether one should draw the line from headland to headland.

All these questions were given consideration at the time of the discussions in connection with the fisheries agreement with the United States and Japan. I can only say that if on that occasion we had insisted upon the abandonment of the traditional three-mile zone it might not have been possible to secure an agreement.

However, as the hon. member has pointed out, a decision has recently been handed down by the international court of justice on an appeal from Norway, which does give a nation the right to establish a zone of territorial waters wider than the historic three-mile limit. The implications of the decision are important, and that is one of the matters being studied by the interdepartmental committee. I believe the question has also been considered by the fisheries committee of the house. The interdepartmental committee is an active one but has not yet reported to the government, although we expect to have a report from it before long. Represented on it are the Department of Justice and the Department of Fisheries as well as the Department of External Affairs. I am sorry I am not in a position to tell my hon. friend when we shall have the report, but we hope to have it soon.

Mr. Pearkes: The minister, I understand, cannot report any progress at the moment by the committee?

Mr. Pearson: I can only report progress. This is not an easy or a simple matter, but rather one requiring consultation not only with other departments of this government but with other governments as well. It may take a little time before there can be any final report from the committee. However, I am sure a report will be made available as soon as possible.

Mr. McMillan: Mr. Chairman, my remarks will relate more particularly to item 102 in the estimates, which deals with the world health organization. The fifth assembly of the world health organization met in Geneva, Switzerland, this year from May 5 to May 22 inclusive, and I was honoured by being appointed by the government of Canada to the Canadian delegation attending that assembly.

The other delegates were Dr. Oliver Leroux, of the Department of National Health and Welfare, Dr. T. C. Routley, secretary of the Canadian Medical Association, Dr. J. T. Phair, deputy minister of the department of health in the province of Ontario, and Mr. Bruce Williams, representative at the permanent delegation of Canada to the European office of the United Nations.

Hon. members are aware that the world health organization was set up as a permanent independent agency at an international conference in New York in 1946. It is supported by funds, subscribed on an agreed basis by member governments.

WHO has its headquarters at Geneva, Switzerland, with six regional offices. One is in North America, one in South America, another in Europe, another in Africa, one in

the eastern Mediterranean and another in the Far East. It gets support from governments in all parts of the world, with the exception of Russia and her satellites. They too belonged to the organization at first, but have later withdrawn their financial support.

WHO is run by a director-general in the person of Dr. Brock Chisholm, a Canadian, along with an executive board of eighteen members, six of whom are elected each year. This year Canada was elected to a seat on this board and will, therefore, have some say in the direction of the organization for the next three years. I may add that, in the voting, 60 nations cast their ballots. Two were spoiled, and Canada got 57 of the 58 votes.

The four years that WHO has been in operation have given ample and positive proof that nations can share common problems and can work together for common solutions, while at the same time retaining their full national sovereignty. In the first four years nations have demonstrated that they are willing when necessary to subordinate their national, regional and ideological interests in order that the great work of WHO may go on.

When health leaders of the nations meet together through WHO, dedicated as they are for the betterment of health of all peoples, they cannot help but make a very vital contribution towards international co-operation and good will.

Throughout the centuries health professions have developed and applied principles of co-operation for great humanitarian objectives which transcend geographic, political and social barriers. It is this faith which brought WHO into being.

To state it simply and in its broadest terms, the goal of WHO is to prevent disease and heal the sick.

Discussion of international health appealed to our ancestors of two or three generations ago differently from what it does to us today. It meant to them that there were great killer plagues with which mankind has been afflicted since the very beginning of history. Hans Zinnser wrote a very vivid book entitled "Rats, Lice and History". One chapter deals with the relative unimportance of generals and draws attention to the fact that disease can be a much more effective killer than warfare and that epidemics have done as much to shape the course of history as great military leaders and military campaigns. We have only to read accounts of the bubonic plague, the black death, typhus, smallpox, intestinal diseases, syphilis, et cetera, to know that this was so. If we read history we find that our ancestors had great fear of these epidemics and many accounts are on record of how they tried to avoid disease. But lacking knowledge as to its cause and spread, they had frequent reminders of what epidemics meant in terms of fear, misery and wholesale death.

The first effort to control disease on an international scale took place about the middle of the last century or one hundred years ago. The main emphasis at that time was placed on quarantine, on the efforts to keep diseases outside the boundaries of countries. The opening of the Suez canal precipitated restrictive measures on the part of many European countries. The fear was that the opening of commerce with the east would introduce the bubonic plague, yellow fever and other diseases of that nature into European ports. Quarantine is still sound for certain circumstances, but today because of the advance in preventive medicine there is a well-based hope that a number of the most destructive epidemic diseases can be obliterated or at least suppressed to the point where we need no longer fear them to the same degree.

A new concept of international health was recognized in the formation of the world health organization. It is now accepted as reasonable and proper for those sections of world humanity which possess special health knowledge, skills and devices to share these possessions with their less fortunate fellow men. This is a very important new factor in international health, pioneered it is true by voluntary organizations but now vigorously supported by governments through WHO and the technical assistance programs.

Dr. L. A. Scheele, surgeon general of the United States and president of the WHO, who is retiring this year, said:

> It has given structure and consistency to the reverence of human life in this world which has had too many lapses into barbarism.

In the four years of WHO existence there has been a greater reduction of death rates in many countries than in any similar period. Diseases like malaria, yaws, syphilis, smallpox, trachoma, plague and yellow fever are definitely being controlled, while tuberculosis and diseases due to environmental sanitation are also receding. Increased production of food and other goods has already resulted in many countries from the improvement of the health of the people. This has been most marked in large areas now under cultivation because of the scientific eradication of malaria infestation.

If we look over the list of subcommittees of WHO we will realize that much other work

is in progress, though probably with results less dramatic than those mentioned. A partial list would include public health administration, maternal and child health, nutrition, health education, nursing, exchange of scientific information, assistance to educational institutions, sanitary conventions and regulations, biological standardization, drugs that produce addiction, as well as committees on various diseases such as leprosy, tuberculosis, malaria, plague, cholera, poliomyelitis, bilharziasis, et cetera.

The policy of WHO has been to encourage self-health. This is essential for the sound development of any program in preventive medicine. It is felt that if WHO supply the necessary materials and get the program well under way, and if the scheme is soundly conceived, it should then be carried through with local resources. The WHO policy was to require governments receiving assistance, either through the regular WHO program or through the special accounts for technical assistance, to pay certain of the local costs involved. These costs, which did not require the expenditure of foreign currency, included the provision of local services, labour, office space, supplies obtainable within the country, local transportation, postal and telecommunications. Lodgings for the international staff were also to be supplied by the recipient country, but in certain circumstances the director-general could agree to provide lodgings from WHO funds.

At the recent meeting in Geneva much dissatisfaction was expressed with these provisions by certain member countries. On behalf of our delegation I stated that the provisions should not be changed. A committee was set up to reconsider the policies on participation of member states in certain costs incurred by WHO. I was elected chairman of this committee which passed a draft resolution giving the director-general power to assume a whole list of local costs. In presenting the resolution to the whole committee I expressed my opposition, but it carried by a large majority. One clause of the resolution refers it to the 1953 world health assembly. I might say that our delegation debated this at different times and our argument was that if they assumed too great a proportion of the costs in a particular country they would not be able to carry out so many projects.

The Canadian delegation on various occasions objected to the increase of the 1953 budget over that of 1952. There were only two other states actively concerned in maintaining the 1953 budget at the 1952 level, namely, the United States of America and the United Kingdom. The financing of WHO budgets is complicated by the problem of nine inactive members and China which continue to be assessed. Under current procedures their assessments are not considered available for expenditure.

The budget this year, exclusive of money received from the technical assistance program of the United Nations, is up 11 per cent. The total budget is around $9,823,000. That does not mean that Canada will pay 11 per cent more, although we will pay roughly $9,000 more under the 1953 budget. Besides the budget, there were many other items up for discussion in which the Canadian delegation took an active part. Some of these included the approval of the program for 1953, publications of the world health organization, the advisability of biennial assemblies, the advisability of holding assemblies of the world health organization away from Geneva, the sale of WHO seals, internal administration and bookkeeping, fellowships and many other matters. The Canadian delegation took no active part in the long and acrimonious debates both in committee and in the plenary sessions on "regions undesignated". This came up in connection with Tunisia and Morocco as well as when Turkey wanted to withdraw from the eastern Mediterranean regional jurisdiction. The complaint of a delegate from one country that no regional meetings were being held and the reply of the delegates of a group of other countries that no meetings would be held as long as the first country was a member kept the meeting in prolonged tension. While our delegation took no part in acrimonious debate, yet we offered suggestions on many matters, some of which were adopted. We think we did not fail to take a stand on all vital matters and hope we made a useful contribution to the conference.

Mr. Green: Mr. Chairman—

The Chairman: Order. Perhaps the hon. member for Vancouver-Quadra will permit the hon. member for Greenwood to ask a question having to do with the world health organization.

Mr. Macdonnell (Greenwood): I wanted to ask the hon. member for Welland a question. I noticed that he said that Russia and her satellites withdrew their financial support. Am I right in assuming that means they also stayed away from the meetings?

Mr. McMillan: Yes, that is true.

Mr. Green: I should like the minister to bring us up to date on the situation in the Pacific and on Canada's policy on Pacific affairs. There seems to be less prospect of a truce in Korea although that impression is gained from press reports and may not represent the actual position. Then we would also like to know the situation in the other spots

in Asia where there is fighting, particularly Indo-China and Malaya.

Another development within recent days, in fact I think it took place yesterday, was the recognition by the Japanese government of the Chinese nationalist government as the government for the whole of China. That appears to be a far-reaching step which may have far-reaching effects. It may even affect Canadian policy. Then there is the withdrawal by the United Kingdom of her commercial interests inside red China. That too seems to be quite an important change in the Pacific region.

We should also like to know whether the government is now any more favourably inclined than before to the negotiation of a pact in the Pacific which will serve the same purpose as the North Atlantic pact does in that area. As the minister knows, we have advocated such a pact for several years but the policy adopted has been one of bilateral agreements. There is an agreement between the United States and Japan, another between the United States and the Philippines, and a third between the United States and Australia and New Zealand. Is it the intention that there will only be these bilateral pacts or is there in prospect a wider pact which will set up some kind of defence organization for the Pacific?

I believe that Russia is more apt to make trouble in the Pacific than in the Atlantic. She has a much wider field across the Pacific ocean and seems to have been more aggressive there than in Europe. I am afraid that as a nation we do not appreciate how much trouble can come from the Pacific and, in fact, if a world war comes it may well come from that direction. I noticed reports in the Vancouver press of the last few days indicating that there has been Russian reconnaissance of Alaska and northern Canada by their strategic air force. That may or may not be true but certainly the Pacific is a dangerous spot, and I should like to know what the policy of the Canadian government is at the present time with regard to that great area.

Mr. Pearson: The hon. gentleman has brought up a very important subject and has touched upon a very important area of the world. The situation there certainly does not seem to be improving to any great extent —that is an understatement—even though in Europe it may be improving in some respects. I welcome the opportunity to say a few words about this area although I have made statements on the subject recently in the house. In that connection it was indicated this morning by the leader of the opposition that we did not have enough opportunity to discuss these matters. I took the opportunity of the luncheon recess to find out on how many days we had discussed international affairs, including affairs in the Far East, during this session, and I think the record is such as to disprove the statement that we do not take these matters seriously in the House of Commons in so far as provision of time for their discussion is concerned. There were four separate occasions during this session when a debate on international matters was initiated, and advantage was taken of those occasions by any hon. member who wished to speak on international affairs. Now we are back again, and I do not complain about it a bit, on Far Eastern and Pacific matters.

The hon. member for Vancouver-Quadra has asked me to state the position with regard to Korea, Japan, Indo-China, Malaya and—I would have been very surprised indeed if he had not brought this up—a Pacific pact. So far as the situation in Malaya is concerned, if I may start there, there has been some improvement since General Templer took command, but it is still far from stable. The efforts that are being made to stamp out communist banditry are making progress but it is discouraging to realize that only four or five thousand of these bandits in the jungles of Malaya have been able to create this problem which has persisted for so many years. They are able to do it partly because of the nature of the country, the inaccessibility of the areas in which they take refuge, partly because there is a native population which, through fear, intimidation or some other motive, has been helping them, and partly because they have been able to exploit legitimate feelings of nationalism and the desire for a better life. The situation is better but it is far from being satisfactory.

In Indo-China the drain on French resources of men and money continues. I am informed that the military position is better now than it has been for some time. There again one cannot become unduly optimistic because there always remains the possibility of outside intervention of a greater strength than has been the case up to the present time. The most encouraging feature I can think of in the Indo-Chinese situation has been the increased participation of the Viet Nam government and army in the dangers that face them. As help continues to go to Indo-China, largely from the United States which is playing a very important part in this area of the world where we are defending ourselves against communist aggression, and where once again the United States is the cardinal factor in that defence, the Viet Nam army is assuming a greater share of responsibility. I believe that is an encouraging development. The more the defence of that

country can rest on a government of its own people and an army of its own people, the better chance there is of keeping communism outside the country.

The situation in Japan has not altered very much since I last spoke on this matter except in relation to the development to which the hon. member referred, and to which reference was made in the press this morning. I should not like to comment on that until I see the actual text of the Japanese government statement. We have not yet received that text. Press accounts indicate that the recognition which was extended to the nationalist government of China by a treaty signed between the two governments has been extended from the area over which the nationalist government now exercises jurisdiction, that is to say Formosa, to the whole of China. If that is actually the case, it is a matter of some importance.

Then I do not need to tell the house that the armistice negotiations in Korea drag on their weary way. I am still of the opinion, and my opinion is shared by a good many people, that it would be a great mistake on our part if we on the western side took any steps to break off these negotiations. If that is to be done, let it be done by the other side. This policy has been adopted by the unified command, and has been put into effect by the representatives of the unified command with persistence and patience, and I think with great intelligence. Nevertheless little if any progress has been made, and I can only echo what the United Kingdom minister of defence—whom we are so happy to have in our country again—said yesterday, that no one can tell, because no one knows, what is in the hearts of the communist negotiators. As I have said before, there is probably a fifty-fifty chance; there may be an armistice or there may not; I do not know. As the talks drag on all the various governments concerned are searching for some way out of what seems to be an impasse in regard to the armistice and indeed what seems to be a difficult situation in Korea generally.

It has been suggested that the United Nations armistice negotiators might be changed, and representatives of other nations included. This might have been a good idea in the early days, and I do not desire to express an opinion on it, but I am inclined to believe with some others that it would not be of any great value today, and might be misinterpreted. If at this stage of the game the composition of the team of negotiators were changed by the addition of representatives from other nations, it might be taken as an indication of distrust in those negotiators—as though we had to have somebody alonside them to see what they were doing. We have no such distrust.

The situation in regard to prisoners of war, which seems to be the only point which stands between the negotiators and success, has not changed. There has been no progress in respect of the last offer which was made by the unified command. The communist negotiators have treated that offer, which as I said in the house at the time it was made was extremely fair, with ridicule and with violence. This does not necessarily mean that they may not change their minds very quickly. Violence in communist negotiations can almost instantaneously be followed by concessions if the word comes from headquarters to make concessions. So far there is no indication any such word is on the way.

There are other difficulties in connection with Korea. I touched on one of them this morning. There is the difficulty of the prisoners on Koje, which has come up in another connection. This was a most complicated and frightening problem. We may have our own views about it, but at the same time we have to realize that the situation which faced those on the spot, when they were confronted with the necessity of dealing with these prisoners by the thousands, was one of unprecedented complexity. They had to be dealt with at a time when the United Nations forces were retreating and at a time of great military uncertainty, when no one could be sure whether the position in Korea would be held. Thousands of prisoners had to be herded together without sufficient men to guard them. It is quite understandable that they should be thrown on an island and given some—I was going to use the word "freedom"—in their internal management. As it has turned out that has led to unfortunate consequences, but it is easy to be wise after the event. The Americans themselves, who do not hesitate to criticize their own efforts, have done so on this occasion. I think we should realize also however the difficult problem with which they were confronted. Whether or not they have made mistakes, the fact is now that extremely vigorous action has been taken. So far as we can judge the situation on that island of ill omen is quiet, and we must hope that this particular problem has been liquidated.

As to the future, I can only say that all the governments concerned, as I mentioned just a few minutes ago, are now looking for any possible way out of this situation, and especially in regard to what might be done about the prisoners of war. Consideration has been given to whether there might be some

procedure by way of rescreening the prisoners under international control or some device of that kind which would remove the communist fear that the first screening was not fair. If that could be done and some new machinery set up along those lines it might be possible to remove what seems now to be the last obstacle to the armistice.

In making these investigations, however, I suggest we must of necessity insist on one principle, and that is that no one who has surrendered to the United Nations forces must be forced back to the country from which he came. The communists in Korea who talk so much about the Geneva protocol have already forced prisoners whom they have taken to join their own forces. They do not appear on any prisoner of war list; that is one of the incongruities of the situation. But whatever they may have done or not done, I suggest that in working out some arrangement for this prisoner of war question we must take our stand that no prisoner who genuinely refuses to go back—and it must be a genuine refusal given to somebody who is capable of interpreting the prisoner's wishes—should be forced back.

This is my final word. If armistice negotiations should break down and be succeeded by another all-out offensive on the part of the communists, the persons responsible—and I repeat what I have said before—should have it made clear to them that the consequences of a second all-out aggression might be far-reaching indeed, even farther reaching than the first.

Mr. Green: The minister did not deal with the question of a security pact.

Mr. Pearson: I apologize to the hon. member for omitting mention of the Pacific pact. Our position in that regard has not changed. The Prime Minister of Australia, who is as interested in this matter as the member for Vancouver-Quadra, has been having some discussions in London and Washington about a Pacific pact. I understand that he arrives in Ottawa on Sunday, and we shall have an exchange of views and go over the whole situation with him. So far as we are aware, however, the position remains as I stated it on April 9, namely that ultimately a general Pacific pact of the nature indicated by my hon. friend may be the most desirable way of establishing and preserving security in the Pacific. At the present time we agree with Mr. John Foster Dulles, who had a great deal to do with the pacts that now exist in the Pacific, when he said:

> I don't think it is feasible on any quick timetable to put together the countries of Asia in the same way as the countries of the Atlantic.

[Mr. Pearson.]

However, we shall be glad indeed to discuss this whole question with the Prime Minister of Australia when he arrives on Sunday, and to get his views on that matter.

Mr. Green: Can the minister tell us the policy of the Canadian government with regard to Formosa?

Mr. Pearson: We have no special relations with Formosa. Our policy toward Formosa is, I suppose, largely governed by the fact that it is the seat of the government of Chiang Kai-shek; and that is the government which at the present time is recognized as the government of China. Formosa is part of China and is recognized by us as such.

Mr. MacKenzie: Before we rose for lunch a question was raised by someone with regard to the safety and the position of Canadian nationals in China. Perhaps the minister answered that question before I came in. If he did so, I am sorry to make reference to it now. The question was as to how safe they were in China and what we can do to assist them to leave China.

As a matter of fact, one of those whom I consider to be authorities on Chinese problems, namely Dr. Stuart Allen, was in Ottawa a couple of weeks ago. As will be remembered, he was interned at Chungking in China for about a year. I had an extremely interesting talk with him, and this particular question came up. While it is true that we have in red China no representative as such, nor has Britain—at least no potent one; it seems to me that Britain never had anything but a consular service there at any time—there are at least 22 countries which Canada recognizes, and with which she is quite friendly, which have full ambassador status in red China. They include such countries as Holland, Denmark, Switzerland, Norway and Sweden. I wonder whether it would not be possible for Canada to use the good offices of one of those countries that are so well established in red China to assist the Canadian nationals to get out.

Mr. Pearson: Not only is it possible, Mr. Chairman, but we do that. Our representations to the Chinese communist government have in fact been made through other channels than the United Kingdom chargé d'affaires in Peking. He is an experienced and capable diplomatic official and we are exceedingly grateful to him for what he has done; but his opportunities for assistance are not as great as he would like them to be. We have therefore also used the good offices of other nations represented at Peking, including the Indian ambassador. On this occasion I should like to express, on behalf of the government, our gratitude to those representatives for

what they have done for us in China. The situation, as I said this morning—and I went into this matter in some detail—remains difficult; but we are doing what we can to get the Canadians out.

Mr. Macnaughton: Mr. Chairman, I should like to refer to item 108 of the estimates. I am sure all hon. members are aware of the real assistance given under the United Nations expanded program for technical assistance to underdeveloped countries, of which vote 108 represents Canada's contribution thereto in the amount of $850,000. But it seems to me that we are not doing nearly enough for the new and struggling state of Israel. Consider for a moment just what the facts are.

The Deputy Chairman: Order. May I point out to the hon. member that we are considering item 85. I understand that his remarks are directed to item 108. Would it not be preferable for him to defer his remarks until that item is reached?

Mr. Macnaughton: Mr. Chairman, I have discussed the matter with the minister and he suggested that it might be advisable for me to speak now, inasmuch as we are ranging over quite a number of subjects. However, I bow to your ruling.

The Deputy Chairman: Has the hon. member leave to proceed?

Some hon. Members: Agreed.

Mr. Macnaughton: In the first place, the new state of Israel is struggling with critical problems largely the result of the rapidity with which urgent immigration has been flowing into the country. So rapid has been the population increase that it has exceeded the rate of development of the country's physical resources. Large scale development plans and projects are under way which will eventually meet the needs of the increased population.

Israel is not only an Asiatic state in which democracy is practised and western techniques are dynamic; it is already a valuable customer of Canada. It is now a customer for Canadian products to the annual value of between $12 million and $13 million. By contrast the other Middle Eastern states purchased in 1950 Canadian products in the following amounts:

Jordan	$ 46,338
Syria	1,462,395
Egypt	3,716,105
Iran	992,407
Iraq	70,127
Turkey	3,743,554

The total purchases of Israel were more than those of all these other countries I have just mentioned. In 1950 Israel occupied nineteenth place in point of volume of purchase of Canadian products.

Probably the best evidence of the proper use of moneys advanced to assist in the development of underdeveloped countries is contained in the report of the secretary of the export-import bank with headquarters in Washington. Sidney Sherwood, the secretary of the export-import bank, in a short article under the heading "Making the Most of a Loan", wrote as follows. I should like to quote his words because I think they contain the germ of further worth-while ideas. He wrote:

> In January of 1949, the export-import bank loan to Israel was made in the amount of $100 million to assist the new state in carrying out its economic development program. This loan to Israel was made only after long and thorough study of the economic risks involved.

He goes on later to say:

> In fact, the export-import bank with $3 billion in outstanding loans or undisbursed commitments in over forty countries has few borrowers who have used their loan dollars more wisely or meticulously than has Israel.

The final report of the United Nations economic survey mission for the Middle East states:

> The case of Israel is *sui generis*. There one finds a western civilization of the most modern type which is making prodigious efforts to draw life from the barren soil of Palestine.

In this age of transition when all over the world not only political ideologies but economic patterns are in sharp conflict, it is no wonder that eyes are being increasingly focused on the Middle East in a sharp concentration on the impact of all of the forces which plague the modern world.

Here we find the conflict of past and present. In Israel western civilization has been injected into a region dominated by an eastern, semi-feudalistic system of land-tenure. In Israel socialism and co-operative enterprise are working hand in hand and side by side with private enterprise for the development of a new economy.

Is it possible that the resolution of the problems concentrated in this small but strategic part of the world will provide patterns for solutions on a wider scale? If the experiments now being carried on in Israel and the Arab states succeed in finding a *modus vivendi*, history may well record that the Middle East played the role of the crossroads laboratory of civilization in one of the greatest crises the world has known.

This is a critical moment for the new state of Israel. Canadians have a strong cultural attachment with the peoples of Israel. We have already, especially in the United Nations, proved our friendship for that country. Now when Israel needs help to meet

its economic crisis, we have the opportunity to prove our friendship in a practical way. Consequently I would ask the minister to give some attention to this very item, and see if there is not something more we as a Canadian nation can do to help one of our really good friends in the Middle East.

Mr. Adamson: Before the item carries I should like to renew a plea I have made previously, though I have not renewed it as often as the hon. member for Vancouver-Quadra has renewed his request for a Pacific pact.

Mr. Green: We are going to get it.

Mr. Adamson: We may even get what I am asking for.

The republic of Austria occupies a key position geographically in Europe. Not only does Austria occupy a key position geographically but she is still an occupied country with Russian troops actually on her soil. She is still very much in the forefront of the war that is not cold by any manner of means, certainly as far as the Russian occupied portion of the city of Vienna goes. I again want to make a plea for recognition by the appointment of a Canadian minister to Vienna. I do that for a number of reasons. First of all, if Austria and her really amazing fight against engulfment by communism can be recognized, we will help to make her a strong as well as a free and independent country.

There is, and there always must be, a great cultural tie between Austria and Germany. They are both Germanic peoples. There is also a tremendous economic tie. It was, if I may say so, the stupidity of France in the twenties in opposing the proposed economic union which eventually sowed the seeds of the national socialist party in Austria and which eventually resulted in the putsch and the taking over of Austria by Hitler.

It must be remembered that the first real act of extraterritorial aggression by Hitler was against the sovereign state of Austria, and there is still a danger of regarding Austria as an adjunct of Germany. I would hope that as soon as possible our government will appoint a minister to Vienna. There are many excellent reasons for this, entirely apart from the geographical position of Austria. Three times before in history the very frontier which is being defended now was defended against the Asiatic horde. I had the privilege of being near Vienna, in the American zone on the Danube, and seeing the Americans manning positions. One of the officers showed me a mound near one of their posts which had been a Roman fortification nearly 2,000 years ago.

Looking down from Kobenzl over Vienna one saw Russian barracks in almost exactly the same place as the Turkish encampments when Prince Sobieski, in September 1683, threw back the Mongol hordes. Those are historical incidents which are being repeated today. From our point of view we should do everything possible to recognize Austria as a sovereign nation, not as a territory to be serviced from our embassy or our legation in Berne, and certainly not as an adjunct of our embassy in Bonn. The minister may have done something about this in the last few weeks. If so I am glad to hear of it as Vienna is again the outpost of Christian and western civilization.

There is one other thing I should like to see done, and here again I may not be fully informed as to what may have happened. I refer to the procedure in providing asylum to the escapees. I think the attorney general of the United States, Francis Biddle, was prominent in the organization which looks after escapees from communist countries. Up to comparatively recent times the escapee would come over from the communist country. He would escape luckily with his life. Of course he would have no papers, and frequently very little identification. Because he had no papers and little identification, the first thing that would happen to him would be this. He would be put in prison until such time as he could get papers or other identification, which often was never. In other words, immediately he made his escape he was kept at a frontier point, in a state of imprisonment. There is of course a very obvious danger that many of the escapees may be plants; they may be Russian agents or communist agents escaping for that purpose, but I feel that there are methods by which we can weed out those who are in that category. I realize there is great difficulty in doing that. I would like to know what we are doing to see, so that these men who have had the courage to escape from the communist world, whatever part it may be, are looked after by some organization. I know our record in that respect has been good. As a matter of fact, until comparatively recent years our record was considerably better than that of the United States. We were prepared to take many of these people without all the documentation asked by the United States. I feel that is one of the worth-while things that can be done today in Europe, to assist our friends from behind the iron curtain, to obtain physical safety and political asylum.

Mr. Pearson: In regard to the first point, we appreciate as does the hon. member the importance of Austria at this time—indeed especially at this time. We have been discussing with the Austrian government the possibility of an exchange of diplomatic

representatives. I hope to be able to make an announcement on the subject before long, though I cannot be sure that it will completely satisfy the hon. member.

Then with reference to the question of escapees, as the hon. member has indicated I believe it can be said that we have played some part in giving asylum to these unfortunate people some of whom have done so much for freedom, for democracy and for us. There is always the consideration of security, and it is a specially important consideration in these cases because, as the hon. member has suggested, this is the kind of thing that could be exploited by those desiring to bring people into our country for wrong purposes. However, once security considerations have been met, we have made special arrangements on occasions to take escapees into Canada, and I hope we will continue to discharge our share of that international duty.

Mr. Adamson: I gather that every case is judged on its merits; there is no special organization looking after escapees?

Mr. Pearson: No, there is no special organization; but we have established contact with the committee to which my friend has referred. Then, of course, we are also participating in the new refugee organization, PICMME, that is continuing the work of IRO. Through that organization we are in touch with some of them.

Mr. Knowles: Arising out of the minister's reply to the hon. member for Vancouver-Quadra when he asked about Formosa, I should like to ask a further question. I realize the minister's statement was necessarily brief. I realize, too, that there was no real need for him to repeat statements he had made before. It does strike me, however, that the statement he made today was a little too brief. All he said was that, so far as Formosa is concerned, it is the seat of the Chiang Kai-shek government, which the Canadian government still recognizes.

I trust—and this is my reason for rising at this time—that there is no change on the government's part in the position the minister indicated to the house earlier in this session. That was a repetition of the position he stated on previous occasions, but he gave it again on March 21, 1952, when, after making certain other statements, he said:

> We do not intend to use our own forces to restore to China the regime which is now in Formosa after being driven off the mainland.

I trust the statement the minister made today, that the Chiang Kai-shek government on the island of Formosa is a government recognized by the Canadian government, does not mean that this government is showing any interest in Chiang Kai-shek being restored to the mainland of China.

Mr. Pearson: No. There is no change whatever in our position. And if any statement of mine this afternoon implied that there was, I would like to correct that implication. However, I do not think what I said is susceptible of that interpretation. If I remember correctly, I said we recognized Formosa as being under the jurisdiction of Chiang Kai-shek and, as such, part of China. It is *de facto* part of China. The final disposition of Formosa has not yet been determined; but it has always been viewed by this government in the light of international arrangements which had previously been agreed upon.

So far as any action is concerned on our part to restore the nationalist Chinese regime on Formosa, our attitude in that matter is exactly as it was stated last March.

Mr. Green: Will the minister give the committee the latest news concerning the Ming Sung ships? The last word we had was that they were in Canton waiting to make a dash for Shanghai; but they are supposed to be our ships, and they are still flying our flag. Perhaps the Secretary of State for External Affairs could give us some information about them.

Mr. Pearson: Mr. Chairman, I cannot add very much to the last statement on this matter made, I believe, by my colleague the Minister of Finance. These ships, so far as we know, are still in Canton; and so far as we know they have made no dash from Canton to any other port.

Mr. Green: Is there any possibility of getting our money back?

Mr. Pearson: We are exploring every avenue which might mean the return of some of our money in respect of these ships. But I would not want to give heavy odds that we will get much of it back.

Mr. Pearkes: Any of it.

Mr. Green: I raised the question because two days ago the Minister of Transport seemed a little more optimistic, when he said:

> I am still hopeful that notwithstanding the present position it will be possible to recoup a substantial amount of our money involved in those operations.

I take it the Secretary of State for External Affairs is not so optimistic.

Mr. MacKenzie: Referring again to the status of Formosa, are the terms and regulations set out in the Cairo declaration which cover the destiny of Formosa still recognized as such?

Mr. Pearson: If I remember rightly we adhered to that Cairo declaration, and we also are committed to some extent by the terms of the peace declaration with Japan. But I would not wish that to be interpreted as meaning that we are bound at this date, in 1952, by every clause of the Cairo declaration, because other governments have not considered themselves bound by all of that declaration. And, though it would be an important consideration in any attempt finally to settle the future of Formosa, it is not necessarily a governing consideration. There might conceivably be some other disposition of Formosa, than that visualized in the Cairo declaration.

Item agreed to.

86. Passport office administration, $222,847.

Mr. McLure: I understood the minister to say this morning that he is responsible for everything taking place in his department. I shall now make reference to something affecting his department, and then he will be free to judge whether or not he has been responsible for this condition.

In the last six months I have had considerable contact with the passport office. I must say that I would not have had this contact had not people written to me to obtain passports. You would think they could be picked up in about five seconds.

I should like to give the details of one case. Twenty-five years ago an immigrant from Denmark settled in Prince Edward Island. After he had been there a short time he married a fine lady and started in as a citizen of our province, taking out his naturalization papers five years later. He was quite successful in life, and only about two weeks ago decided to take a trip back to his homeland. He wanted to take his wife along. He made application to the passport office, but before doing so he paid for his transportation via New York.

Mr. J. W. O'Brien, a passport officer, sent the husband his passport but wrote to the wife stating in a very nice letter that when she had married she had given up her citizenship. He explained to her that she would have to get a registration certificate from the Department of Citizenship and Immigration. That is where I came into the picture. I got a long letter from these people telling me they were afraid they might lose their fare. I immediately telephoned to the Minister of Citizenship and Immigration, and I sent over their letter at once by messenger.

The matter was taken up immediately and this lady in Charlottetown was told to fill out and sign certain papers and return them, after which a certificate would be issued immediately. The gentleman in that department said he would take it over immediately to the passport office. I want to say that this gentleman, Mr. J. E. Duggan, and Mr. O'Brien both indicated that they were ready to do everything they could to provide service to the people who were requesting it. After dealing with them I have come to the conclusion that if there are two civil servants who are ready to do more under trying circumstances I would like to meet them.

Just one other incident I should like to mention. I wanted a small favour from the minister of external affairs. I knew he was a busy man, so I saw a Mr. Molson in his office. I want to say that I have never received better service from anyone since coming to Ottawa. I just wanted to place on record my appreciation of the courtesy extended by these three gentlemen. I leave it to the minister to say whether he is responsible or not.

Mr. Pearson: It may be entirely unconstitutional, but I must say that the responsibility for the courteous and efficient service rests entirely with the officials concerned. I know they will be most gratified at the kind words of the hon. member.

Item agreed to.

87. Representation abroad—operational—including payment of salaries of high commissioners, ambassadors, ministers plenipotentiary, consuls, secretaries and staff appointed as directed by the governor general in council, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments, $4,938,357.

Mr. Pearkes: Are the expenses of military attachés covered by this item?

Mr. Pearson: No, they would come under the Department of National Defence.

Item agreed to.

93. Canadian section of Canada-United States permanent joint board on defence including $7,500 for the chairman, notwithstanding anything contained in the Civil Service Act, $10,000.

Mr. Green: Will the minister explain this item and also tell us who is the chairman of this board.

Mr. Pearson: The chairman of the Canada-United States board is General McNaughton and the other members of the Canadian section are Admiral DeWolf, Air Vice-Marshal Miller, Major-General Sparling, Dr. R. A. MacKay of the Department of External Affairs, with Mr. Phillips of the Department of External Affairs as secretary. The board is most active and I believe at the moment is meeting at Whitehorse.

Mr. Green: I notice the salary of the chairman is $7,500. Is that paid in addition to the remuneration he receives in connection with other positions?

Mr. Pearson: General McNaughton is paid $7,500 as chairman of this board and $7,500 as chairman of the international joint commission. While he is in receipt of those salaries he does not receive his pension. He gets a total income of $15,000 for his work on these two boards, but roughly $9,000 would be paid anyway as a pension under national defence.

Item agreed to.

96. To provide for the construction and execution in Canada of seven doors to be donated by Canada to the United Nations permanent headquarters in New York, $50,000.

Mr. Pearkes: What are these doors being made of?

Mr. Pearson: Nickel-silver. They are the seven main entrance doors to the new United Nations building in New York.

Item agreed to.

B—General—

The Canadian government's assessment for membership in the following international or commonwealth organizations—

97. United Nations organization, $1,463,200.

Mr. Knowles: I wonder if under this item the minister could make a statement on Canada's part in the United Nations disarmament commission?

Mr. Pearson: I can make a statement and I hope to be able to keep it fairly brief. The disarmament commission, which was set up at the last assembly of the United Nations, has been quite active with meetings in New York. The Canadian representative on that commission is our permanent representative to the United Nations, Mr. David Johnson. In fact he was the chairman of the disarmament commission in the first month of its existence.

We had hoped that this commission might be the means of providing a sincere and constructive effort to reduce the level of armaments, but from the very beginning the delegate of the U.S.S.R. removed most of the hope we had of that purpose being achieved because he used the commission as a sounding board to attack the United States, especially in regard to the fantastic charge of germ warfare in Korea.

It is true that the U.S.S.R. did put forward their usual scheme for the immediate reduction of all armed forces. This scheme has been analysed, and we have tried to show them that it would not work. However, it was not considered desirable to take merely a negative attitude in this commission so the United Kingdom, the United States and the French members of the commission, in consultation with Canadian and other members, put forward a proposal of their own for arms reduction. It was thought that it was a practical one and could be taken as a basis for consideration. It was in a sense an effort to meet the Russian position, and it established the level of the armed forces of the U.S.S.R. and the United States at 1,500,000 men, of China I believe at 1,500,000 men, of France and the United Kingdom at 750,000 each, and with respect to other countries in the proportion of 1 per cent of their population. This was put forward by these delegates in good faith. It was hoped that it might be examined by the U.S.S.R. as a sincere and constructive proposal, but since then it has been turned down by the U.S.S.R. representative on the commission, and for the time being that has made progress difficult, if not impossible. However, the commission is not giving up and will continue to meet and report to the next session of the assembly.

Mr. Knowles: I wish to express the hope that every use that can be made of this commission and other means in the propaganda battle will be used. We are getting into a state where we have various kinds of war and various kinds of peace. Amongst the wars we have are cold war, hot war and propaganda war. I suggest there are times when we do seem to let the other side take a little of the initiative in the propaganda for the reduction of armaments and for peace. I simply express the hope that we will not always let the other side make these moves first and leave us in the position of having to try to counteract them, but that on occasion we will use a commission such as this to make propaganda moves ourselves.

Mr. Pearson: I agree. That was one of the reasons why so much time and effort were put into the proposal of the three western powers which I have just mentioned and which is still before the commission.

Item agreed to.

Specialized agencies—

98. Food and agriculture organization of the United Nations, $246,800.

Mr. Macdonnell (Greenwood): I do not want to be one of those who sneer at international organizations, because I believe in them very greatly. On the other hand, one does feel that it is very easy for them just to grow and grow if we say nothing about them. Here we have the food and agriculture organization which is costing us $135,000 more. Would the minister say a word about that? Actually it is costing us more than double this year.

Mr. Pearson: The representatives of the Department of Agriculture could more effectively describe the operations of this United Nations specialized agency, but I can say that it is considered by those who have had something to do with it, and who have had something to do with other United Nations organizations, as one of the most practical and useful of the specialized agencies of the United Nations. The technical divisions of the food and agriculture organization through which it does its work are agriculture, distribution, commerce and statistics, forestry and fisheries, nutrition and rural welfare.

During the first five years of its operation FAO has established a statistical service in the fields of food and agriculture and forestry and fisheries. It has collected, collated and published a wide range of technical information. It has also—and I think this is the most important part of its work—assisted participating countries, especially what we call underdeveloped countries, in improving the efficiency of their food production by providing them with technical advice and assistance for various periods of time and by sending technical agricultural missions to those countries. Canadian experts have taken part in a good many of these missions.

FAO has also undertaken a number of experimental projects in the field under its terms of reference. One that occurs to me was in Mexico where, by virtue of an FAO mission and the assistance FAO was able to give to that country, the production of a certain agricultural commodity was increased many times with great value to Mexico. I think it is doing a useful and practical job the value of which, of course, as is so often the case in these matters, is much greater to countries less materially advanced than to those like Canada which are materially advanced in agriculture. I can only conclude by saying that I think the money we spend on the food and agriculture organization is well spent.

Mr. Macdonnell (Greenwood): As the minister described it, it reminded one, though with differences, of the Colombo plan. I suppose there is a very marked difference. The Colombo plan, I take it, does not deal directly with food but with mechanical installations of various kinds. I suppose that first of all the Colombo plan is not a United Nations plan but a commonwealth plan, and I take it there is a great distinction there. The minister spoke of FAO being able to do useful and constructive work in Mexico. I take it that was merely by way of advice. I suppose FAO has no means of stepping in and giving material assistance.

Mr. Pearson: In the case of the Mexican venture which I mentioned they did in fact send a technical agricultural mission to Mexico which stayed there some time and was responsible to a very large extent for the increased production. It also used facilities placed at its disposal by the government of Mexico. The Colombo plan of course works in co-operation with FAO whenever any project under the Colombo plan needs agricultural experts or agricultural assistance. That has happened once or twice already.

Mr. Low: I should like to ask the minister whether FAO has arrived at a position any nearer to the acceptance of such an organization as an international commodity clearing house for the proper distribution of world surpluses of food.

Mr. Pearson: I know that FAO has been interesting itself for a good many years in marketing problems through its marketing committees, especially in the establishment of what I might call an international ever normal granary, but it has not yet been able to produce a scheme acceptable to all the governments concerned. The work in that field has not proceeded beyond the investigational and exploratory stage.

Mr. Blackmore: May I ask the minister what seems to be the main difficulty in the way of establishing a scheme that would be acceptable. Is it finance?

Mr. Pearson: I should not like the committee to consider me an authority on this matter. I suspect the main difficulty has been to reconcile the interests of the predominantly food producing countries with those of the food consuming countries.

Mr. Blackmore: That would be a matter of finance, would it not?

Mr. Pearson: Oh, well, Mr. Chairman, finance enters into all these matters. That is quite true.

Mr. Blackmore: I realize that the minister is in a difficult position in dealing with this matter. Human common sense would dictate that mankind should believe that where we can produce an abundance of goods we should somehow or other be able to get them into the hands of people who want to use them. My general idea concerning FAO at its inception was that the men who conceived the idea intended to accomplish exactly that. They said that if man can produce the goods then it is our business to be able to put them into the possession of the people who want to consume them. In other words if the world can produce enough food, clothing and shelter, it is a complete anomaly that 1,500 million

people should go to bed hungry every night. It is our business to devise ways and means whereby that production of which the world is capable shall supply the needs of such unfortunate people. Do I get the impression that the minister thinks that was the idea behind the FAO?

Mr. Pearson: I cannot really add very much to what I have said on this matter. As some hon. members will recall, this question was discussed in some detail before the standing committee on external affairs. There is an FAO committee on commodity problems. It is meeting now, and is going to correlate the needs of the various agricultural organizations. The Canadian representatives on that committee are I believe Dr. Barton and Dr. Hudson. A report on the work of the committee up to the present was given to the standing committee on external affairs. If hon. members are interested, they will find it as an appendix to the minutes and proceedings of the committee, No. 3. The report of the FAO committee on commodity problems has outlined some of the difficulties in the way of success in this field, but FAO is endeavouring to make progress.

Mr. Low: I have just a word to say, Mr. Chairman, in connection with this same item. I should like to say that the reason I asked the question was this. Since we examined the estimates in the external affairs committee a report was issued by one of the agencies of United Nations, I believe on May 12, indicating in some detail the conditions in the world with respect to food. I believe one of the important statements made in the report was that, in the opinion of the committee, if all the factors, land, fertilizer, modern machinery and the technical know-how throughout the world were to be utilized fully, there is no question about the ability of the world to produce sufficient food to take care of the needs of 2,400 million people. It is believed that they could be fed and kept at a fairly good standard of well-being.

That being the case, I have wondered about our own situation in Canada. We are not producing anything like the amount of food we could produce. Our farmers are afraid to go all-out in their productive efforts because they cannot find a market. If they did make that all-out effort they would find, under present circumstances at any rate, that present prices would be depressed so badly they just could not stay in business. It does seem to me a sad state of affairs that our producers of food in this country are not making an effort, and that inducements are not held out to them to enable them to produce all the food the world needs and yet stay in business. This is especially true when one considers the statement of the hon. member for Lethbridge that nearly half of the world's population is forced to go to bed hungry every night. We come face to face with the paradox of the world's abundance on the one hand, and on the other the suffering and deprivation on the part of half the people.

Because I have thought a good deal about that since that report was issued, I asked the question about the international commodity clearing house. It seems to me that such a body is not only desirable but absolutely essential if we are going to be able to furnish these people in backward countries and underprivileged areas with the things they need. It seems to me now is the time to be pushing this just as hard as we possibly can.

While I am saying something about this work, I should like to mention the services of the gentleman who made his report in the external affairs committee, Mr. Nik Cavell. I believe his services had been utilized in connection with technical assistance. I am sure the minister will not mind my mentioning it at this point, but I heard his report and had an opportunity to question him in the committee. I must say that Canada is fortunate in having a man of his ability and wide experience to administer our share of the technical assistance being advanced to the underprivileged and underdeveloped areas of the world. I was deeply appreciative of the fine job this man has done, and I wanted to say a word before the committee. I believe we are very fortunate in having a man of his calibre engaged in this work.

When we come to item 108 I hope the minister, in answering a plea that was made on behalf of Israel this afternoon by the hon. member for Mount Royal, will mention what plans are now in the process of formulation for increasing the amount of assistance to these underprivileged areas, and whether it is possible for him to use more money, and use it wisely and efficiently, than is being provided at the moment.

Mr. Blackmore: I do not wish to hold matters up, but it seems to me that in this problem which has been raised there lies the whole secret of the decision as to whether or not we are going to win the peace. It is a foregone conclusion which must be obvious to every thoughtful person inside this house and out, that we cannot reasonably expect conditions of peace to prevail in a world in which 1,500 million people have to go to bed

hungry every night. In a world which the great Creator has abundantly provided with the means of production of all the goods which are necessary to give everyone in the world a reasonable standard of living, I do not think we can afford to let this matter slip by without a considerable amount of emphasis in our expression concerning the question.

I realize that the minister is quite helpless in this matter. Nevertheless it comes up for discussion under his estimates. It is just one of the headaches, of which he has an abundant supply.

Mr. Gillis: Tell him how to fix it up.

Mr. Blackmore: Yes, I shall tell him how to fix it up. As a matter of fact, in my speeches in this house during the last two years I have laid down a definite policy to fix it up. There has been no criticism of the suggestions I have made, nor intelligent questioning of those suggestions. I shall challenge anybody in this house to offer any criticism.

It is quite obvious that the difficulty is financial. The FAO organization, no matter how it may try, under the present financial system just cannot possibly get the money with which to buy from Canada, as an example, the surplus goods that Canada can produce and render available for distribution in the world. Now, is that not putting the matter simply, in a nutshell? That is the problem, is it not?

Mr. Gillis: That is right.

Mr. Blackmore: How do you solve that problem? What we are trying to do is to tax Canada, in addition to all the other taxes we are laying on, for the FAO. Under our present financial system we are forced to tax Canada for enough additional money to provide the FAO with enough money to enable the FAO to buy the surplus products of Canada. Is that not plainly and simply put? In respect of the United States, FAO under the present financial system has to call on the United States to tax the United States for enough additional money to provide FAO with enough dollars to buy the surplus products the United States is capable of fabricating and rendering available for distribution in the world. Is that not putting it straight?

The problem is this. Canada cannot afford that taxation. The United States cannot afford that taxation. If those two nations cannot afford it, no other nation can. Then how in the world are we going to enable FAO to obtain the money with which to buy the surplus production these two nations alone are capable of fabricating? That is the question simply put.

Mr. Gillis: The hungry countries have no money and they have nothing to exchange.

Mr. Blackmore: That is right. Therefore do we say that because they have nothing to exchange, they must die?

Mr. Gillis: Not necessarily. But you have to tax somebody to pay your producers for the goods.

Mr. Blackmore: But you cannot tax the people who produce them; and it is a foregone conclusion that you cannot tax the people who have to consume them, because those potential consumers are already in the depths of poverty.

Mr. Gillis: So where do we go from there?

Mr. Blackmore: That is the question. Where do we go from there? The answer must be found in what social credit has proposed time and time again for seventeen solid years in this house, namely that nations must be prepared to create money debt free and render that money available. Let us take the United States as an example. The United States could create money by the billions, debt free, in order to buy her own surplus of production. A number of people may say, "That will not work." But, Mr. Chairman, the fact is that we have found out that nothing which has been proposed up to the present time can possibly work. If the solution is to be found, it must be along the line of creating debt free dollars.

Could the United States safely create $1 billion of United States money and put it into the hands of FAO, to be used for the purchase and distribution of United States goods among needy nations? The answer is a resounding yes. All United States history and all financial history proves it beyond any shadow of doubt, if we will clear away the prejudice which has been engendered in our minds by men who have endeavoured to keep us enslaved. Abraham Lincoln created $450 million of greenbacks in the civil war. With those dollars he won the war. It now remains to be shown why the United States administration today could not create a corresponding amount of money, debt free, and either give it to FAO or put it in the hands of the needy nations so they can buy American goods.

The greatest problem that faces the United States and Canada today is that of markets, the problem of being able to get rid of their goods. I do not wish to bear down on this subject too long, Mr. Chairman, but I think the House of Commons should require the minister to determine exactly why FAO is unable to do the thing it ought to do—and

which everybody's common sense tells him it ought to do—and then, the next time he comes before the house, be prepared to give not a shifty, evasive, meaningless answer but a factual answer that will meet the demands of intelligent minds.

I do not propose to enlarge on this subject because probably it would not be quite in order for me to do so. On the other hand I do not know but that it is the thing which is most in order under this item. If an arrangement could be made among the nations—the United States, Canada, Britain, France, the members of NATO and all the other nations that are able to produce and that want to purchase and want to sell—for determining some means whereby money could be created and rendered available for buying and distributing surplus goods, there is no reason under the sun why such a proposal should not succeed. It will be the greatest single factor contributing to peace just as the lack of it now is the greatest single factor contributing to war. For us to pretend that we can seriously go about the problems of removing the causes of war without attacking this essential matter of money for distributing surplus goods is to make ourselves ridiculous in the eyes of all realistic people.

Last year I suggested—and with this comment I will close at the present time unless I am provoked to go on a little further—that we could easily make Great Britain the clearing house. The hon. member for Cape Breton South will readily appreciate this suggestion. We could easily make Great Britain the clearing house if we and the United States would get off Great Britain's back, and abolish our contemptible unconditional most favoured nation clause and our GATT arrangement and all the others that have been strangling our commonwealth, and in place of them take effective measures to make Britain strong as she should be by now, so long after the war. Great Britain can create pounds sterling. There is no question about the remarkable success of the pound sterling, is there? There is no reason under the sun why Great Britain cannot create pounds sterling and distribute those among these unfortunate nations, take from us the goods which are necessary to enable her to support such pound sterling issues and become a great factor in the distribution of goods in the world. If there is anyone in the country who can offer a reason for questioning what I have said, I hope he will get into this chamber and give the reason. I am challenging anyone to show that the method of approach which I have suggested would not succeed.

Most of those nations that are now "have not" nations can produce certain kinds of goods and offer them for sale. Let us take Japan as an example. There is no nation on the earth that is potentially a better producer than is Japan. There are no people who are more skilful, more adaptable and more willing to work than are the Japanese people. Yet when they produce and then offer their goods to the world, they confront an almost impassable barrier because we refuse to accept their goods. What is the way out of all that difficulty? If Britain could take raw materials from raw material producing nations and exchange those with the Japanese for the goods they are able to produce, and then place those Japanese goods in the nations where they are needed and receive their production in return, it is conceivable that it would not be long—probably four or five years—until you would have built up in Britain an organization as a result of which the whole world trade could begin to be integrated and you would have real multilateral trade.

Mr. Murray (Cariboo): Will the hon. gentleman permit a question?

Mr. Blackmore: Just so long as it is a little more intelligent than the questions the hon. member ordinarily asks. Just ask a question that is intelligent. If the hon. member asks a question to which he requires an answer I will take care of every question he asks.

Mr. Murray (Cariboo): If the hon. gentleman wishes to be impertinent I will not honour him by asking a question.

Mr. Blackmore: The difficulty with the hon. gentleman is that the only questions he has ever asked me have been impertinent ones. Up to the present time that has been my experience with him. If what I have said has offended him I withdraw it. Let it be a pertinent and intelligent question and I shall be happy to answer it.

Mr. Murray (Cariboo): I would ask my hon. friend whether the textile industry in Japan would continue to prosper and whether the textile industry of England would continue to prosper under the arrangement he has in mind?

Mr. Blackmore: Yes, because—

The Deputy Chairman: Order.

Mr. Blackmore: It is a good question.

The Deputy Chairman: Order.

Mr. Blackmore: The answer would be—

The Deputy Chairman: We have had a very full discussion on the first item of these estimates, and I was wondering whether the

hon. member would co-operate by directing his remarks more particularly to item 98, which deals with the food and agriculture organization of the United Nations.

Mr. Blackmore: I shall be glad to, Mr. Chairman, thank you. First of all, the answer to the hon. gentleman, whose question was quite intelligent and straightforward, is this: Yes, all the textile industries of all the world could prosper if the people needing textiles were provided with the means of buying the products of these textile industries.

The answer to the hon. gentleman's question first of all would be this question: Is there among the 2,400 million people of the world a need for all the textiles that all the textile industries in the world can fabricate? The answer to that question must be a resounding yes. Then why in the name of common sense can we not provide the people who need textiles with the means of buying the textiles that the textile industries of the world stand ready and eager to produce? That is the question. I submit that if there is any member in the house who would give a realistic answer to that question, that answer must be yes. I thank the hon. member for his question. The same thing would be true in respect of all other goods.

For a further example, is there any conceivable reason, as the hon. member for Peace River has pointed out, why we today in Canada should be reducing or limiting our production of hogs when 1,500 million suffering people require food? We are discouraging the production of cheese, of milk, of eggs, of fruit and a great number of other commodities. We ask: Are we discouraging their production? Of course we are, because we say there are no markets. Well, there are people needing these foods, hundreds of millions of them. People are dying because they cannot get the foods. A food and agriculture organization has been set up to take care of that very problem, and the item providing for the support of that organization is under discussion before us at this moment. What are we going to do about it? I submit that until the Secretary of State for External Affairs calls on the members of the Canadian cabinet and says: Gentlemen, we just cannot fool with this thing any longer. If I am going to go on working with you I want you fellows to get down to brass tacks and get a solution to this distribution problem. I do not want to wait ten years to do it, either. I want you to have something shaped up in two months.

Mr. Low: Page Jimmy.

Mr. Blackmore: Page the Minister of Finance. He is the one man—

[The Deputy Chairman.]

Mr. Knowles: And Howe!

Mr. Blackmore: That is right.

Let us turn to Germany. Look at the tremendous capacity there is in Germany for producing goods of all kinds. When you mention that enormous increase in the productive capacity of Germany how do you feel? You feel worried because they are going to compete with us for the world's markets. Well, can you think of anything more absolutely fantastic than to be in fear of greater production in a world where there is a tremendous amount of need?

Mr. Martin: I am sure nobody wants to ask the hon. member to abbreviate his remarks, because what he is saying is extremely important; but there are other occasions for saying it and I submit that this is not the particular item under which to discuss this matter. There may be other opportunities later on. I do not like to restrict my hon. friend but I do suggest that the important observations he is making could be made on another item, perhaps at another time.

The Deputy Chairman: Order. I had already drawn to the attention of the hon. member for Lethbridge the fact that we were discussing the food and agriculture organization of the United Nations, under item 98. I would ask him to co-operate by directing his remarks more particularly to this item.

Mr. Blackmore: Mr. Chairman, I cannot see how in the world a person's remarks could be more particularly directed right to this problem of food and agriculture. How are we going to get food produced? How are we going to get it consumed? If that is not what this organization is set up for, I ask you in the name of common sense what it is set up for, and what is the use of spending any time and money on a thing that cannot begin to solve the problem? Is there anyone who is prepared to question me on that matter?

I greatly appreciate the courteous way in which you have managed this affair, Mr. Chairman, and I greatly appreciate the courteous way in which the Minister of National Health and Welfare raised the question. I will accept the minister's suggestion that I seize another opportunity; but I will tell you about what will happen. This matter ought to be discussed on the estimates of the Minister of Finance. The minister should come right here in this house and every member of this house should be right here and say: "Doug Abbott, we want answers; we want results. We do not want you to get up and parade out of the house when we begin to talk about this thing. We do not want you to send in your parliamentary

assistant to talk about this thing so we cannot get at you. You are the fellow who has to help solve this problem, and we want you to do it right here and not next year".

Last year I tried in every way to get the Minister of Finance on the floor of the house to discuss this matter in a straightforward, scientific, realistic way, with no results at all but insults, practically, because the minister went out on June 20 and stayed out. On June 30 he did not even come in to discuss his estimates. He was utterly afraid to face the problem on the solution of which depends the whole success of the food and agriculture organization and peace or warfare in the world. Thank you, Mr. Chairman.

Item agreed to.

99. International labour organization, $248,900.

Mr. Macdonnell (Greenwood): I want to raise again with the minister the question I raised before. The international labour organization was established in 1919 at the time of the establishment of the league of nations. It was an independent organization; and it has continued to do useful work. I should like to hear from the minister just what functions it discharges and as to what relationship, if any, it has to the United Nations Organization. I remind the minister of what I said a moment ago—if I am wrong he will correct me—that I think it was established in 1919 at the time of the league of nations.

Mr. Pearson: The international labour organization is a specialized agency of the United Nations, even though it was established long before the United Nations. Actually it was established in the time of the old league of nations, as my hon. friend recalls. It has been very active since the war. A number of international labour conferences have been held which representatives of employers, employees and governments attended; there have been various trade committee meetings held. About 200 conventions and recommendations have been adopted, dealing with wages, hours of work, employment of women and children, labour conditions in special industries and things of that kind. I think these conventions have been useful. There again the situation is very much like that of FAO. The usefulness of this organization is greater in countries where labour standards are not as highly developed as they are in our own country. But I think it is a useful international organization. It is certainly considered as such by the labour organizations of this country, and I hope this vote for the continuance of Canadian support will be accepted by the committee.

Item agreed to.

100. United Nations educational, scientific and cultural organization, $331,800.

Mr. Knowles: Has consideration been given to the proposal that Canada send three delegates to the gathering at Venice organized under UNESCO with respect to an international society of artists? I believe a request was made to the government that financial assistance be made available for the sending of these delegates. What has been the outcome of that request?

Mr. Pearson: I am sorry I have not that information at hand at the moment, but I shall be glad to secure it before the discussion of the estimates is complete and give the hon. member the information.

Mr. Macdonnell (Greenwood): I do not wish to cast myself in the role of a hard-boiled Philistine; but this is an organization one often hears criticized, and I think probably unfairly. It is easy to criticize UNESCO because it deals with cultural things which are hard to assess in any ordinary, mechanical way. Would the minister say a word on this subject?

Mr. Pearson: I appreciate the fact that UNESCO was one of the specialized agencies which was subjected to a good deal of criticism, especially in the earlier stages of its existence. I think that criticism sprang largely from the suspicion—that too many of the resources of UNESCO were going into projects which did not have sound bases in reality, and that too much academic—and I am using the word "academic" in the wrong sense—work was being done. It was felt that some of the projects put forward for international examination were, to say the least, pretty unreal.

The policy of the Canadian delegation at UNESCO meetings has been to try to introduce—and we are not alone in this—an element of practicality and reality into UNESCO activities. We think a good deal of progress has been made in that direction. Under the leadership of the present director-general I think UNESCO is performing a useful function in the field of what we might call non-material co-operation; and this should be a very important field of international co-operation indeed.

We discussed this matter not long ago—perhaps it was in the standing committee on external affairs—and reference was made to whether UNESCO might try to get agreement on some of the more important periods of history so there could be a universal history text book. I doubt if that would be possible, but I certainly think it is something worth trying for.

Item agreed to.

103. Commonwealth economic committee, $16,830.

Mr. Macdonnell (Greenwood): What are the functions of the economic committee? The amount involved is small, but I would like to know what it is for.

Mr. Pearson: This is a commonwealth committee which originated from one of the resolutions of the imperial economic conference of 1923. It has continued in existence ever since, though now on a much reduced scale of activity. There was some question after the war as to whether certain of these commonwealth committees, which had not been very active, should be re-established. It was decided to re-establish this committee but to keep its activities down to a minimum so that, if it could be used for purposes of expansion later on, as work developed, it would be available.

I must confess there has not been much for it to do since the war. On the other hand its expenses are limited. It does issue volumes of what it calls a commodity series, setting out statistics in regard to world production, commonwealth production and commonwealth trade. It has also been issuing certain periodical intelligence services which are published sometimes weekly and sometimes monthly, as necessity indicates. This is an intelligence service in respect of trade in certain commodities within the commonwealth. That is about the extent of its activities.

Mr. Macdonnell (Greenwood): I would hesitate to suggest spending more money, but I would ask whether in fact this organization is occupying the field alone. In other words is there any other organization seeking to do this particular work? If not, then without wishing to refer to other debates that have taken place, it seems to me this is a matter of considerable importance; and I suggest that the minister might study it with a view to seeing whether its activities might be extended.

Mr. Pearson: That is a good suggestion. As a matter of fact we were one of the doubtful governments after the war, doubtful in the sense that we wondered whether it was worthwhile reviving the committee. But we found ourselves in a minority at that time, and agreed to its revival. At the present time a review of the activities of this commonwealth economic committee is being undertaken. In the light of that review it will be decided by the governments concerned whether the committee should be continued.

Mr. Blackmore: Mr. Chairman, in this connection I fancy people throughout the country who read *Hansard* will be interested in the following figures. Canada this year can afford $1,463,200 for the United Nations Organization; she can afford $246,800 for FAO; she can afford $248,900 for the international labour organization, and $331,800 for UNESCO. But for the commonwealth economic committee she can afford only 16,830 measly dollars.

That is something to arouse a person's interest. We know the greatness the British commonwealth had attained up to world war I. We know the British commonwealth almost single-handed, with the assistance of France and Russia, held the Kaiser at bay. We know the British commonwealth held Hitler at bay. One of the greatest stabilizing factors the world over, not only from the military but from the economic standpoint, was the British commonwealth. Why in the world is it we have lost interest in the British commonwealth? What has gone wrong with the puny men who are guiding us today? What are the powers behind them that are making them act like this? Surely what the British commonwealth was it is capable of becoming again; it has the same people and the same resources.

Why was there any doubt as to whether or not this economic committee should continue? I will tell you why. The policy, the concepts of men in the Canadian government and in the other governments that had to do with all this whole thing were guided by a group of evil people who wanted to destroy the British commonwealth. Why do they want to destroy the British commonwealth? Because the British commonwealth has been too great a blessing to mankind, in the minds of those evil people who are guiding the destinies of the world right now—from the United States. The thing we have to face up to right now is whether we are going to allow these evil forces to continue to weaken the British commonwealth and disintegrate it as they have already gone far towards doing, or whether we are going to have the British commonwealth rise and become the great and mighty power it ought to be in this year 1952, and which it can be if the Canadian government and other governments in the empire stand solidly together and say to the United States, "you have gone just as far as you are going to go in this matter of destroying the British empire".

I say that next time the minister should bring down probably ten times as large a vote for this economic committee, and I hope he will do other things to change the ideas of certain people. I still believe there is a great deal of virtue in that fine song about Britain which goes: "God, who made thee mighty, make thee mightier yet". That applies to the British commonwealth if we

have the wisdom and courage to apply it. So will the minister just see that this economic committee is supported more generously in the future and be ready to bring in a report next time which will go much further than just telling us about a few pamphlets of statistics published?

Mr. Pearson: The destruction of the commonwealth is not involved in this vote. The budget for this organization was fixed by all governments of the commonwealth at a figure of something around $100,000 until it is decided what the future of the committee should be. It was also decided that Canada's contribution toward that $100,000 would be about 16 or 17 per cent, and that percentage is reflected in this vote. That is all there is to it.

Item agreed to.

108. United Nations expanded program for technical assistance to underdeveloped countries, $850,000.

Mr. Low: I wonder if the minister could answer the plea made by the hon. member for Mount Royal and indicate what moneys could be used under this vote.

Mr. Pearson: This is the vote for United Nations technical assistance. The target this year is $20 million, and it was felt that the appropriate Canadian contribution would be $850,000. That can be used for technical assistance in any underdeveloped country requiring such assistance, which would include Israel. It might well be that our part of this general vote could and would be used for assistance along the lines indicated by the hon. member for Mount Royal.

There is no special vote for assistance to Israel nor is it possible to include that state in the assistance given under the Colombo plan. We have already indicated our feelings toward Israel and have made certain goods available to that country. We have tried to assist them in that way quite apart from the fact that individual Canadians have rendered a good deal of financial assistance to this new state. The technical assistance program, toward which we are contributing this amount, could be used for that purpose. No doubt if Israel made application, the application would be considered.

Mr. Blackmore: I take it that this is to assist only in connection with production.

Mr. Pearson: It takes other forms such as the exchange of scholarships and fellowships, the sending of experts by the United Nations to help set up public administration organizations or civil service organizations, social welfare schemes and such things as hydroelectric developments.

Mr. Blackmore: I take it that up to the present there has been no technical assistance in the way of finding markets.

Mr. Pearson: All these schemes can be related to the economic progress of the country which is being assisted, and that should enable the country to find its own markets.

Mr. Blackmore: I do not wish to hold up the discussion but let me suggest to the minister that the men who have to do with this particular organization should become thoroughly proficient in social credit so that when they go to other nations they can teach them how to consume and how to distribute.

Mr. Pearson: I shall be glad to bring that suggestion to the attention of the director-general of the United Nations technical assistance program, who is a Canadian, originally from the west.

Item agreed to.

International civil aviation organization—

109. To provide the international civil aviation organization with office accommodation at less than commercial rates, $76,046.

Mr. Green: I understand there is to be an increase in the amount used for this purpose. Would the minister indicate whether I am right?

Mr. Pearson: A further amount will be required as a result of recent discussions with the organization. An additional amount of $141,000 will be provided in the supplementary estimates.

Mr. Green: In effect that additional amount is being paid to outbid other countries which wanted the headquarters moved from Montreal.

Mr. Pearson: I would not put it quite that way. The organization felt that the expenses of operation in Montreal were very high as compared with the expenses of similar international organizations in other countries. There was a good deal of discussion in the organization about whether it would be more economical to move the headquarters to one of those countries where such facilities are provided sometimes free of charge. As the result of this and as the result of an approach made to the Canadian government it was felt that we would be justified in making a further grant of $130,000 toward the rental of their building.

Item agreed to.

International joint commission—

110. To provide for preliminary studies and surveys of the mid-western watershed, $10,000.

Mr. Herridge: I support this item, but I would ask the minister for an explanation.

Why is it that we find different votes for different surveys by the international joint commission under different departments? For instance, the one concerning the Columbia river basin is found under resources and development?

Mr. Pearson: When a new reference is made to the international joint commission it has been the practice in the interest of convenience to have the Department of External Affairs pay the amount required for the first year. Any further amounts required are provided by the department directly concerned.

Item agreed to.

Terminable services—

113. Colombo program for technical co-operation in south and southeast Asia, $400,000.

Mr. Blackmore: I take it that this plan also has to do purely with production. These peoples should be taught how to consume and distribute. May I suggest once more in all seriousness that every organized community in the world ought to know a little about how to distribute and the system that will teach them how to distribute is social credit. I suggest that the minister also give some advice to these people to have their experts thoroughly versed in social credit rather than in orthodox finance which has already proved itself to be worthless and a failure.

Mr. Herridge: If the minister is going to put in a word for social credit I suggest that he bring the Regina manifesto to their attention as well.

Item agreed to.

114. To provide for and authorize grants or loans to governments of countries in south and southeast Asia to assist in the economic development of such countries, and special administrative expenses in connection therewith, $25,000,000.

Mr. Catherwood: The minister said this morning that his department had been in consultation with Indian officials, and I should like to know what the department has in mind in connection with the sharing of this $25 million. Is it going to be handled in the same way it was handled last year?

Mr. Pearson: This is the vote for the Colombo plan and, as the committee knows, is for $25 million to carry on the work which we began last year and which proved so valuable as a means of strengthening the relations between the countries concerned and also for practical purposes in those countries. This year we are asking for the same amount. How that amount will be divided among the countries concerned is now under discussion. Last year $15 million of the $25 million was used in India and $10 million in Pakistan. Of the $15 million that went to India the committee knows that $10 million was used for the purchase of wheat.

We are now discussing with the representatives of the Indian government how the money that will be allocated to them if this vote is passed will be spent. It is impossible to come to any final conclusion on the matter until we know exactly how much will be available for India because this year we propose to make a part of the $25 million available to Ceylon. Therefore it is difficult for me to say anything more definite than that. In the preliminary discussions with India—and we have also had preliminary discussions with Pakistan and Ceylon in connection with projects for those countries—it is interesting to note that India has shown great interest in using as much as possible of the funds which may be made available to them for the purchase of wheat.

Mr. Knowles: It is pretty close to six o'clock and realizing that it is desired to get these estimates through before we rise I will not take time to speak at any length on the item. But we would like to make it very clear once again how strongly we of this group support item 114, as well as items 113 and 108 which have already been passed. We feel that not only is the expenditure of money in this way to help improve the living standards of our fellow humans in other parts of the world good in itself but also that it is one of the best expenditures possible for the maintenance of the peace of the world. We strongly support these votes. We would be glad to see them much higher, and we hope the spending of them in the most useful and effective ways will be pursued diligently by the government.

Mr. Pearson: May I just say in that connection, because I think it is of some importance, that at the recent meeting in Karachi the Indian minister of finance said:

> The significance of such friendly assistance—

He was referring to the Colombo plan.

> —far transcends its material value.

The minister for economic affairs of Pakistan said at the same meeting:

> It is becoming increasingly clear that the members of the plan work as members of a family, unified with the idea of helping each other, and in the spirit of give and take there is no feeling of superiority attached to the act of giving or inferiority tainting the act of receiving.

The other day in the Australian house of representatives their secretary of state for external affairs, Mr. Casey, said—and I hope I may be pardoned for reading it:

> In the current financial year, Canada made a contribution of $25 million and will give a further $25

million for 1952-53. I would draw particular attention to the welcome and farsighted generosity of the Canadian contribution, bearing in mind the geographical distance of Canada from south and southeast Asia.

Mr. Low: That of course is just another example of what decency of treatment between people and countries will do, and until we establish an all-round program and policy of decency of treatment we just cannot expect to have peace. I certainly go along with all others in the committee in supporting the Colombo plan. It has done a grand job.

Mr. Blackmore: If the Colombo plan were using social credit there would be remarkable effects. You would not only have the sayings of these men; you would have wonderful achievements.

Item agreed to.

115. Contribution to the provisional inter-governmental committee for the movement of migrants from Europe, $154,600.

Mr. Green: Item 115 is a new vote. Will the minister explain it to the committee?

Mr. Pearson: This is an item for an intergovernmental organization for the movement of migrants from Europe in order to continue some of the work that was being done by the international refugee organization. When that organization was wound up last year it was felt it would be in the general interests of refugees and of receiving countries if some of the machinery, especially the shipping machinery that had been built up under the international refugee organization, could be kept in being. Therefore this temporary organization was formed for that purpose. Its emphasis is placed on assistance to migrants from Europe to overseas countries. For that purpose certain ships that previously worked for IRO are being retained by this organization.

Mr. Green: Will there be a vote each year or will there be just the one for the present year?

Mr. Pearson: It is just for this year. I do not know how long this organization will be required. During the course of the year it will be decided whether it will be continued for another year in the light of the results achieved.

Mr. Pearkes: Have the ships the minister referred to been purchased by Canada? Were they Canadian ships before?

Mr. Pearson: The ships I have referred to were rented by IRO from various ship owners, and that is being continued. They have not been purchased.

Item agreed to.

At six o'clock the Speaker resumed the chair and the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

NATIONAL DEFENCE

TABLING OF STATEMENT OUTLINING PROGRAM FOR 1952-53

Mr. J. A. Blanchette (for the Minister of National Defence): Mr. Speaker, I should like leave to revert to motions in order to table a statement on behalf of the Minister of National Defence.

Mr. Deputy Speaker: Has the hon. member leave to revert to motions?

Some hon. Members: Agreed.

Mr. Blanchette: I should like to table, on behalf of the Minister of National Defence, a statement outlining Canada's defence program in relation to the estimates for the year 1952-53. This statement is along the same lines as that tabled in connection with last year's estimates. Copies in English and in French are immediately available for distribution.

PRIVATE BILLS

On the order:

Second reading of Bill No. 338, for the relief of Marie Jacqueline Michelle Major Valiquette.—Mr. Winkler.

Mr. H. W. Winkler (Lisgar): Mr. Speaker, with the unanimous consent of this house I should like to move the second reading of all the divorce bills on the order paper.

Mr. Deputy Speaker: The hon. member for Lisgar suggests that we take all these divorce bills for second reading in one motion. This would affect Bills Nos. 338 to 345 and also divorce Bills Nos. 348 to 362 inclusive. Has the hon. member the consent of this house to proceed in this manner?

Some hon. Members: Agreed.

SECOND READINGS—SENATE BILLS

Mr. H. W. Winkler (Lisgar) moved that the following bills be read the second time:

Bill No. 338, for the relief of Marie Jacqueline Michelle Major Valiquette.—Mr. Winkler.

Bill No. 339, for the relief of May Clara Taylor Di Biasio.—Mr. Winkler.

Bill No. 340, for the relief of Regina Joan Lee Mills.—Mr. Winkler.

Bill No. 341, for the relief of Violette Chartrand Fairon.—Mr. Winkler.

Bill No. 342, for the relief of Doreen Elizabeth Lawton Batty.—Mr. Winkler.

Private Bills

Bill No. 343, for the relief of Norma Meldrum Drysdale McGown.—Mr. Winkler.

Bill No. 344, for the relief of Jean Elizabeth Wood Jackson.—Mr. Winkler.

Bill No. 345, for the relief of Louisa Ryan Heke.—Mr. Winkler.

Bill No. 348, for the relief of Maurice Speyer.—Mr. Winkler.

Bill No. 349, for the relief of Lorraine Souillet Heaven.—Mr. Winkler.

Bill No. 350, for the relief of Charlotte Elizabeth Johnston Rawson.—Mr. Winkler.

Bill No. 351, for the relief of Eleanor Luba Hirschfield Mott.—Mr. Winkler.

Bill No. 352, for the relief of Marguerite Anne Sweeting Russell.—Mr. Winkler.

Bill No. 353, for the relief of Amy Stirling Price.—Mr. Winkler.

Bill No. 354, for the relief of Jean Irene Ross Roche.—Mr. Winkler.

Bill No. 355, for the relief of Regina Landry Brouillard.—Mr. Winkler.

Bill No. 356, for the relief of Jean-Paul Malo.—Mr. Winkler.

Bill No. 357, for the relief of Robert Arthur Reeve.—Mr. Winkler.

Bill No. 358, for the relief of Joyce Mary Barton Vallis.—Mr. Winkler.

Bill No. 359, for the relief of Lawrence Edward James.—Mr. Winkler.

Bill No. 360, for the relief of Helene Mary Reusing Hutchins.—Mr. Winkler.

Bill No. 361, for the relief of Charles Lewis Lipton.—Mr. Winkler.

Bill No. 362, for the relief of Joseph Kovacs.—Mr. Winkler.

Mr. Stanley Knowles (Winnipeg North Centre): At this stage of the session I shall not object to a number of bills being grouped in one motion for second reading, but I do wish to register once again, and I shall probably do it again and again and again, my protest against these divorce bills being handled in this way. I repeat my earnest hope that one of these days we shall, as a parliament, decide to deal with these bills and any others that may continue to come before us in a more proper manner than is the present practice.

With respect to this group of bills covered by the motion made by the member for Lisgar, may I say that if it turns out that any of these cases is contested in the committee on miscellaneous private bills, we would of course want to review those cases more fully when they get back to the committee of the whole house.

Motion agreed to, bills read the second time and referred to the standing committee on miscellaneous private bills.

[Mr. Winkler.]

BOUNDARY PIPELINE CORPORATION

The house resumed, from Tuesday, June 17, consideration in committee of Bill No. 62, to incorporate Boundary Pipeline Corporation —Mr. Larson—Mr. Beaudoin in the chair.

On section 1—*Incorporation.*

Mr. Drew: Mr. Chairman, this is the first time in nearly two years that I have made a statement on one of these bills which are presented to us for the purpose of incorporating a pipe line company. I do so for the purpose of indicating my opposition to this particular application and to the procedure which is followed in dealing with matters of this kind. In fact, my remarks are as much directed to the procedure as to the specific purpose of the bill before us. There is no pretence whatever that the purpose of this discussion is anything else than the hope that it will not be possible to deal with this bill during this session. After all, that should be frankly stated. It is the only device that can be employed to prevent the passage of a measure which certain members think should not pass, and where it appears that there is to be no real attempt to place before the house any sound argument in favour of the adoption of the bill that has been presented.

I have listened to the arguments that have been made against the adoption of this measure. I think those arguments are sound. I think the arguments should appeal to the judgment and common sense of the members. There has been no serious attempt on the part of anyone to meet the arguments that have been put forward. The attitude seems to be simply this: The bill is before the house, and we are not going to say anything more. We hope you will not be able to keep on talking against the measure and that in due course, without any argument in its support, it will come to a vote and we are sure that a majority will support it. I submit, Mr. Chairman, that is a reflection on the whole house. I suggest it is a reflection on the methods of this house, and it is a reflection on the manner in which the members are called upon to deal with what should be serious business.

My remarks are prompted particularly by the fact that when this bill was before the standing committee on railways, canals and telegraph lines, the evidence from expert witnesses who were available was cut off arbitrarily by a motion presented to that committee. On Thursday, April 24 of this year, at a meeting of that standing committee the hon. member for Iles-de-la-Madeleine (Mr. Cannon) moved that sufficient evidence had been obtained for the committee to

decide as to the economic practicability of the pipe line under consideration, and that the question be put on the preamble without further examination of the witness. After discussion and the question having been put on the motion, it was agreed to on division. The record of the committee then sets out the division, and I see that the motion was supported by a substantial majority. The members of the opposition opposed it, with the support of one Liberal member of that committee.

That motion was not only to the effect that other witnesses should not be heard, but that the committee had heard enough from a particular witness. That witness was a man who was giving reasons why he thought it was not sound economically and otherwise to proceed with this particular pipe line. That course having been adopted, and the House of Commons now being asked to pass a bill which was denied an adequate examination before the committee, I do not think that the members of the house, without the opportunity to hear witnesses, should be called upon to deal with it.

I wish to speak about the procedure. I hope the extended discussion which has taken place on this measure may serve to impress upon the government the desirability of another procedure in dealing with the issuing of charters for pipe-line companies. I think it is appropriate to review exactly what it is the House of Commons is being asked to support by the motion now before us. We start with the fact that this bill is to incorporate a pipe-line company under the Pipe Lines Act which was passed by the House of Commons on April 30, 1949. That act, which is the overriding act empowering pipe-line companies to carry on their corporate activities, gives certain powers to any company incorporated to operate a pipe line. I think the members of the house should recognize how far they are being asked to go when they support a measure of this kind. Section 7 of the Pipe Lines Act sets out the powers which automatically are conferred upon any company which receives incorporation in this manner and then obtains authority to proceed with pipe-line activities by permission of the government and the board of transport commissioners who must pass upon the application.

I wish to read these into the record because they indicate the extremely wide powers that any such corporation receives. I am inclined to think hon. members generally have not been impressed with what it is they are being called upon to do. Section 7 of the Pipe Lines Act reads as follows:

> 7. A company may, for the purposes of its undertaking, subject to the provisions of this act and the special act,
>
> (a) enter into and upon any crown land without previous licence therefor, or into or upon the land of any person, living in the intended route of its line, and make surveys, examinations or other necessary arrangements on such land for fixing the site of the line, and set out and ascertain such parts of the land as are necessary and proper for the line;
>
> (b) purchase, take and hold of and from any person any land or other property necessary for the construction, maintenance and operation of its line and alienate, sell or dispose of any of its land or property that for any reason has become unnecessary for the purpose of the line;
>
> (c) construct, lay, carry or place its line across, upon or under the land of any person on the located line of the company pipe line;
>
> (d) join its line with the pipe line of any other person at any point on its route;
>
> (e) construct, erect and maintain all necessary and convenient roads, buildings, stations, depots, wharves, docks and other structures, and construct, purchase and acquire machinery and other apparatus necessary for the construction, maintenance and operation of its line;
>
> (f) construct, maintain and operate branch lines, and for that purpose exercise all the powers, privileges and authority necessary therefor, in as full and ample a manner as for a company pipe line;
>
> (g) from time to time alter, repair or discontinue the works or any of them, mentioned in this section, and substitute others in their stead;
>
> (h) transport oil or gas by company pipe line and regulate the time and manner in which oil or gas shall be transported, and the tolls to be charged therefor; and
>
> (i) do all other acts necessary for the construction, maintenance and operation of its line.

Those are immensely wide powers, Mr. Chairman; yet those are the powers which automatically are conferred by the Pipe Lines Act upon any company which receives a charter under a bill such as that which is now before the house. I do not think hon. members should be asked to confer powers of that kind under which they can seize property that we do not even know yet by actual description. If this company is incorporated and if it should receive the permission of the government and the board of transport commissioners to proceed with the operation of the pipe line, it will have wide powers of expropriation which should never, under any circumstances, be given to unknown people, for an unknown destination, and over an unknown route. I cannot think of anything which would indicate less regard for the responsibility of members of parliament than to give such wide and sweeping powers with no rigid definition of the route this pipe line would follow.

On a number of occasions when other pipe lines have been dealt with we have learned that these companies are quite ready to change the route, depending on what they think is most likely to meet with approval. They have the power to change the route. We are therefore asked, with all the responsibility and the authority of parliament, to confer these

sweeping powers upon unknown people who acquire their rights under a charter issued in this way.

On an earlier occasion, some two years ago, I suggested a procedure which would be in keeping with the ordinary practices in matters of this kind and which would take away from the House of Commons and the Senate the pretence of exercising judgment with regard to something about which we have not sufficient evidence to exercise proper judgment. The procedure to which I refer would be simple. It would be for the government to introduce a simple amendment to the Pipe Lines Act. It need be only a single section which would say that the kind of company described in the Pipe Lines Act and which would obtain the powers conferred by the Pipe Lines Act would be a company which obtained an ordinary charter under the dominion Companies Act. It might be suggested by someone that this would be exercising still less control over the incorporation of companies of this nature. I should like to see no pretence whatever that real control is exercised. It is true that this debate has provided an opportunity to place before the committee arguments in support of a policy of Canadian priority in relation to the use of our resources. I submit that such a policy can be expressed, and established in some other way. I submit that a policy could be declared by a resolution, and that such a policy would guide those who are called upon to exercise their discretion in permitting these pipe line companies to carry on business. We do not yet know whether this company would be allowed to carry on business if it did get a charter. For that reason, amongst others, I do not think we should be granting a charter, which has some real money value the moment it is granted by this house, when we have no way of knowing whether or not that charter is ever going to give anyone the right to proceed.

I hope the time that has been occupied in discussing this subject for the purpose of indicating that a very substantial number of members do not want to see charters granted in this way will impress upon the government the desirability of such an amendment. That does not mean that a company which obtains a charter under the dominion Companies Act can proceed with a pipe line simply by virtue of the charter. It means that a company which obtains a charter in that way will then require to obtain permission to proceed with the operation of a pipe line by an application to the board of transport commissioners. It still must obtain permission from the government of Alberta if the gas or oil comes from the soil of Alberta. It must also obtain permission from the dominion government, and therefore the granting of a charter under the Companies Act would still leave the matter for decision by those authorities who now have no opportunity to exercise any real judgment as to whether or not the applicant in question should have the right to carry on business.

We would save time, and there would be no pretence about parliament having passed judgment. In that case any number of people who wanted to get charters could get them; and each would meet fairly before the board of transport commissioners and before the governments concerned and be able to present evidence in the ordinary way. No one would be left out in the cold. Anybody who was prepared to pay for a charter could get that charter, and the whole question would then be one for a semi-judicial body, the board of transport commissioners, to decide, with subsequent decisions by the dominion and provincial governments concerned. That, it seems to me, is a sensible, businesslike procedure which is in keeping with the general practices in regard to matters of this kind. It is one which would take away from parliament something that is occupying a great deal of time unnecessarily, and which I am sure will continue to occupy a great deal of time unnecessarily if this procedure is still followed.

I made that proposal before; in fact I made it on March 20, 1950. I hope that now, in 1952, the government may decide that this would be a better way of proceeding. If on the other hand the government has some other alternative, I certainly would be very happy to support any method which would take away from the parliament of Canada the pretence of passing judgment upon something in regard to which we are not furnished adequate information.

There is another point in regard to this matter that I should like to discuss. I should like to discuss the merits of this particular application and indicate why I think it is desirable that there be some clearly declared policy in regard to matters of this kind. This particular application is for a charter to construct and operate a gas pipe line from the province of Alberta into the province of Manitoba; and it is disclosed by those who have argued in support of the measure that the pipe line will then proceed into the United States.

May I emphasize once again that I for one am not arguing against the export to the United States in sensible and reasonable quantities of any raw material or commodity produced in this country. Nevertheless I

do believe that the first concern of the House of Commons and the parliament of Canada should be the advancement of Canada and the employment of our own resources to the greatest possible advantage of our own people. Just a few days ago I presented an argument in this house in regard to wider employment of some of our raw materials in Canada. I was interested and somewhat surprised to find that argument summarized in the opinion of some people, as an argument in support of a ban on export. *Hansard* will disclose that I suggested no such thing; that I suggested the very contrary. I am saying that now simply to emphasize that whatever argument I am putting forward, it is not an argument in regard to a ban on this or any other raw material or natural resource that we possess, where it is in our interest that we export it. What I am saying is that the course we adopt should assure that we shall gain the greatest possible advantage from our own resources here in Canada. With that thought in mind let us see what the situation actually is.

Both Ontario and Quebec through their governments have indicated their desire to have natural gas from the province of Alberta. That has been stated without any reservations by members of the governments of these two provinces. Arguments that were put forth in support of this measure in no way dispose of the argument that was presented on the other side, that if this particular charter were granted it would for the time being prevent the construction of another pipe line to carry natural gas to the east. Therefore one of the questions to be decided as a matter of principle is whether or not this House of Commons, if it is called upon to exercise some measure of judgment, is or is not going to say that it concurs in the representations made by these provincial governments and is willing to take a course which will assure the transmission of natural gas for use in these two provinces.

Ontario already is using a very substantial amount of natural gas coming into the province from the United States. For that very reason it would be unreasonable to suggest that we should not be prepared to co-operate at different points in Canada where that co-operation seems reasonable. I think it would be very reasonable for the government of Canada to discuss with the government of the United States appropriate exchanges of natural gas at different points along the border.

The Canadian government knows that at this time there is an application before the appropriate authority in Washington to permit the export of natural gas into Ontario, a province which has been using natural gas from the United States for some time. Actually there is a contract now in existence under which gas is transmitted from the Texas panhandle up to Ontario; and that contract calls for the delivery of more than five billion cubic feet of natural gas a year. That however has not yet been formally approved by the authority in Washington which deals with matters of this kind. Therefore the whole situation in regard to that export is in a state of uncertainty.

I think this is the very kind of thing that could be dealt with properly by discussions between the two governments. Where there is any possibility of export, in a case of this kind, it should be as the result of negotiation and arrangement of that nature rather than by a hit or miss process such as that indicated in the measure now before us.

If a pipe line should carry natural gas through to Ontario and Quebec, that would not mean Ontario would be denied any natural gas for which it might have contracted with the United States. It would simply mean that the very much larger quantities that are required than those they can hope to obtain from the United States would become available right across the great industrial areas of northern and eastern Ontario. Also it would mean that this gas would become available in the busy industrial centres of Quebec.

Still, if that were a large pipe line, export at different points might be arranged by consultation between the governments of Canada and the United States. But if we are going to deal with this on its merits, then I submit that the first pipe line to the east which should be approved is a pipe line that carries its gas into the large industrial provinces of Ontario and Quebec so as to assure to these provinces this natural resource which will help so much to develop the whole country.

Mr. Blue: What about Bruce?

Mr. Drew: I was under the impression that Bruce is still in Ontario, and I hope it will continue to remain in Ontario. I had not heard that it had declared its independence at any time. But I would certainly hope that the fine county of Bruce, along with all the other counties in Ontario and Quebec, would benefit from the available supply of this cheap and very efficient fuel.

I have heard the comment during this debate that this is an argument in favour of Ontario and Quebec. I have heard it said that it does not very much benefit the intervening provinces in western Canada, nor does it greatly benefit the maritime provinces. Well, we cannot change geography,

much though we might like at times to do so. We cannot change the fact that there would still be a very long pipe line to the maritime provinces, if it were to be carried down there.

Nevertheless the area within which gas can be transmitted economically is increasing all the time, and it is conceivable that at some time even that might happen. I should be more inclined to hope that some time in the not too distant future the liquefaction of coal, or other employments of coal in the maritime provinces, might give them the advantage of their own raw materials which are in such abundance in those provinces in a form that could be changed into another type of fuel, and then into either gas or electricity. However, that is something for the future, something to consider at another time.

So far as this measure is concerned, I do submit we should not overlook the fact that the very large population of Ontario and Quebec provides a sound commercial outlet for the natural gas from Alberta. It has been noticeable that during the course of these discussions members of this house from Alberta have concurred in that suggestion. They have indicated their own opinion that this pipe line is not a sound proposition, and that if we are going to be called upon to deal with matters of this kind in the House of Commons, then the charters to be granted should have the interests of Canada as their first consideration.

I would hope also that we would bear in mind that when we strengthen the productive capacity of any one part of Canada, we strengthen the whole economy of Canada and increase the possibility that this country as a whole may advance, and that there may be an improvement in the situation in every part of the country.

With that thought in mind I would hope that in some way independently of this measure a clearly stated policy would be adopted by the House of Commons and the parliament of Canada under which, in the employment of our resources, we would place the interests of Canada and its people first, while at all times expressing our willingness to export resources on a reasonable basis so long as we do not limit our own opportunity for expansion and growth by so doing.

When I began these remarks I left no doubt that I was not making my argument in the expectation that it would change the opinion of those who have presented the measure to the house. I do hope that the absurdity of wasting so much time to prevent the adoption of an unwise measure will impress upon the government the wisdom of following some other course in dealing with applications of this nature.

I would hope that when this session comes to an end—and I certainly hope this bill has not been passed at that time—the government might decide that before we meet again there will be some provision for the issuing of a charter in a simple manner, and a procedure which would place anyone wishing to obtain a charter on an equal basis when appearing before the board of transport commissioners and the governments affected. They would then make the decision as to who is going to have the right to build and operate a pipe line. I will go further and say that instead of continuing this debate for the remainder of this session—I say this in all earnestness—the government should consider introducing a simple amendment to the Pipe Lines Act along the lines I have advocated. It could be a brief amendment adding a section providing that a company referred to in the act shall be a company with a charter obtained under the dominion Companies Act. I am reasonably sure that the members of this house would support such an amendment. It would take much less time to deal with that very effective amendment than will be wasted if this bill is brought up for discussion once again.

Mr. Howe: Mr. Chairman, I do not rise for the purpose of joining with the official opposition in its filibuster against this bill, but I think a few words should be said. I must say that in my seventeen years' experience in this house, it is the first time I have known a leader of the opposition to talk out a private member's bill, but I suppose such things can happen.

Mr. Drew: Mr. Chairman, I am not going to interrupt the hon. minister except—

Some hon. Members: Oh, oh.

An hon. Member: Sit down.

Mr. Drew: I am not going to interrupt the minister except to point out that I spoke on a private member's bill two years ago at the same time with the minister.

Mr. Howe: I am speaking at the same time with the leader of the opposition and probably for the same purpose. The suggestion is that it is all wrong for members of the House of Commons to examine the provisions of these bills, that the Pipe Lines Act should be changed so that any company incorporated under the Companies Act would have these rights. We all know that all that is necessary to be incorporated under the Companies Act is to

file the necessary documents with the Secretary of State, pay the necessary fee, and then the incorporators would have everything they are asking this parliament to give them, by this bill.

Why not do that? That procedure has been considered. The reason was referred to by the leader of the opposition. Incorporation under the Pipe Lines Act carries with it the right of expropriation. It has been the practice of this parliament since confederation to be very jealous of granting incorporations that carry with them the right of expropriation.

Hon. members are aware that anyone wishing a charter to build a railroad or lay track for a distance of more than seven miles must come to this parliament with a private bill. Why? Because by the terms of the Transport Act the authority for laying of that track carries with it the right of expropriation. Anyone who wishes to build a bridge across international waters must come to this parliament to be incorporated because he is asking for rights over international waters, which rights are very jealously guarded by parliament.

I quite agree with the hon. leader that any reputable company that is properly financed, that is composed of reputable people and that has an objective that is reasonably sound should be able to obtain incorporation by a private bill approved by this House of Commons. That has always been my contention. I ask hon. members to remember that all this bill gives is incorporation; it does not grant any rights whatever to the company except the right which the leader of the opposition says should be granted as a matter of course under the Companies Act.

I do not agree that anyone should be able to go to the Secretary of State and by virtue of the fact that he files certain documents obtain an incorporation as a pipe line company when such incorporation may lead to obtaining the power of expropriation. It has always been the belief of the government that anyone who wants the right of eminent domain, the right of expropriation, should be compelled to come to parliament where he can be examined by members of parliament or by anyone who has a particular interest in the incorporation. The member representing that particular district should have the right to ask the incorporators any question he wishes to ask and obtain a satisfactory answer.

I believe that is a desirable safeguard. The incorporators of pipe line companies should be compelled to appear before a committee of parliament, to show what their interests are, to indicate their intentions, to prove their financial bona fides and, in short, to establish themselves as a reputable company.

You say, "That is perfectly reasonable. We pass several private bills of that type every session." We have run into two long filibusters in connection with pipe lines. One bill was before this parliament for two sessions before it was finally passed. That was the second bill. It is said that there is something wrong about this bill, but it is exactly like a bill which gave the same privileges and set out the same purposes of incorporation, which was passed at a previous session. That bill had to do with a pipe line from Alberta to Winnipeg and then southward, and there was no difficulty about it. But in connection with this bill we have had this blockade lasting for several months.

I do not want to impute motives, but it seems to me that this opposition is really not opposition to a bill. There is nothing wrong with the proposed incorporation, as the leader of the opposition admits. This is opposition in favour of an incorporation which was granted previously. That was obviously the case two years ago, admittedly so. At that time it was contended that there was a perfectly good Canadian company that had been incorporated to build a pipe line from Alberta westward and then down across the international border, so why incorporate another company that would be a competitor.

Mr. Green: Mr. Chairman, on a question of privilege—

An hon. Member: Sit down.

Mr. Green: I will sit down when I am told to by the chairman and not by a backbencher.

The Chairman: Will the hon. member please state his question of privilege.

Mr. Green: The Minister of Trade and Commerce is quite wrong. If he will remember, the opposition was on the ground that the other—

Some hon. Members: Order.

Mr. Chevrier: That is a speech.

An hon. Member: No privilege.

The Chairman: The hon. member must realize that he is not stating a question of privilege; he is merely trying to clarify a point in the minister's speech which in his opinion is not correct. That must be done either by the hon. member asking the minister if he may interrupt in order to clarify the point or by waiting until the minister has completed his statement and then clarifying the point himself.

Mr. Green: Mr. Chairman—

Boundary Pipeline Corporation

Mr. Howe: Mr. Chairman, my hon. friend has made one speech.

Mr. Green: On a question of privilege—

The Chairman: Order; we cannot have two members holding the floor at the same time.

Mr. Howe: Have I the floor, Mr. Chairman?

The Chairman: I have told the hon. member that his question was not a question of privilege.

Mr. Green: Mr. Chairman—

The Chairman: I am willing to listen to an explanation.

Mr. Green: My question of privilege is that the minister said that the opposition to the bill two years ago was in order to prevent competition. That was not the case at all. The purpose of the opposition was to prevent lines being built down through the United States with only branch lines to serve Canada.

Mr. Fournier (Hull): That is not a question of privilege.

The Chairman: The minister may now speak.

Mr. Howe: I do not wish to be contentious. I have not had the advantages of other members of the house. I did not attend the committee's hearings, and I have heard very little of the debate in the house. I do not even know who the sponsors of the bill are. I refer to the real interests behind this bill. I presume other people know, but I do not know. I have no interest in the bill; but I do want to voice objection to this sort of delaying tactics every time a pipe line bill comes before the house. The hon. leader has said everybody is entitled to incorporate. Perhaps they are. I would not object to that statement; but before anybody is incorporated I say they should come before a committee of the house and show their bona fides. This company has done that. All companies asking incorporation must do so under the method of procedure specified by the Pipe Lines Act. I do not wish to undermine that procedure. I believe it is the correct procedure and I deplore the activities of the official opposition in blockading this second pipe line bill that has been subjected to this treatment.

Mr. Shaw: Mr. Chairman, though not a member of the official opposition I feel there are two or three things I should like to say with respect to the bill now before us. Certainly no one can accuse me of having participated in a filibuster, because I have not taken any time in the house previously in connection with this matter or any other comparable measure which has come before us. I was particularly interested in the observations made by the leader of the opposition during the concluding portion of his remarks. He referred to the absence of a national policy with respect to the question of gas export. My personal conviction is that in the absence of such a national policy, clear cut and definitely defined, we have encountered the difficulties which are before us now and have been before us during the weeks and months that have gone by.

A moment ago the minister indicated that when a company desiring incorporation appears before a committee of the house every member is provided with an opportunity to secure definite information with respect to the specific route and to raise whatever objections he may desire to raise. I take exception to that statement. I am not aware of the fact that this company filed a specific proposal as to route.

Mr. Howe: On a question of privilege, if the hon. member will let me explain, I did not say that. All a company comes to this house for is the purpose of incorporation. The matter of the route is a question for the board of transport commissioners.

Mr. Shaw: That is true, but did not the minister assert that when such a company appeared before the committee of the house members were afforded an opportunity to raise objections to any such specific acts of expropriation, let us say, which may affect the particular districts they represent? Certainly my experience leads me to the conclusion that no such opportunity is actually afforded at all. When a company appears before a committee of the house it is for the express purpose of putting before the committee a general idea of what the company proposes to do with respect to export, and information relative to the method of financing the company's operations. Beyond that I am very much afraid that members of the committee are left pretty much in the dark.

My fundamental interest in this matter at the present time stems from the fact that when the master pipe line measure was being considered by a committee of the other place the attorney general of my province appeared before that committee and pleaded with them to lay down regulations which would make it necessary for a company of this kind to appear before a semi-judicial body for the purpose of securing the right to incorporate under the Companies Act. Mr. Maynard, the attorney general of Alberta, in anticipation of some of the very difficulties we have encountered since that time, pleaded with

the committee to give favourable consideration to his proposal. I well recall the reception his proposal met before that committee, because I witnessed it. It was turned down. To my mind so much of the difficulty we have encountered since that time stems from that very fact.

So far as safeguards in connection with expropriation are concerned, certainly the board of transport commissioners could take every precaution to determine whether the company applying for incorporation was complying with all the regulations with respect to expropriation or anything else, as a matter of fact, covered by any legislation existing in Canada today. I agree with those who have laid down the principle that, so far as the export of gas from one part of Canada to another part and thence elsewhere is concerned, we should give prime consideration to the requirements of our own country first. I am not one of those who assert that that involves the piping of gas from Alberta to the maritimes or, as a matter of fact, even to the province of Quebec or conceivably even to the province of Ontario, because I recognize that there is merit in a policy whereby we might exchange gas with our United States friends to the south.

Certainly we have to approach the matter from the economic point of view when making a decision in that respect. I think my own province is quite justified in the position it has taken with respect to meeting its own requirements first, and certainly I believe the rest of us are justified in asserting that we should see to it that the requirements of the Canadian people are met as far as possible. With respect to the bill now before us, I have no particular interest in the persons involved but I suggest it is unfortunate that we followed the course of action which we adopted in 1949 because it led to this difficulty. I think even now it is not too late for the government to introduce amendments to the master pipe line legislation which would enable us to refer these applications to a semi-judicial body—I have already mentioned the board of transport commissioners—for the purpose of dealing with them instead of doing it in the House of Commons. I feel confident that just as long as we have applications of this kind coming before the house, just so long are we going to encounter the type of debate we have had during the past several weeks and months. It is nine o'clock, Mr. Chairman.

Section stands.

Progress reported.

Mr. Deputy Speaker: The time allotted for private bills having expired, the house will resume consideration of the business which was interrupted at six o'clock.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF THE SECRETARY OF STATE

433. Departmental administration, $213,883.

Mr. Fulton: I should like to ask the Secretary of State whether the fund which was referred to in the report tabled by the Prime Minister recently having to do with claims arising out of enemy action will be administered by his department. If so, what is the basis of the administration? There are not sufficient copies of that report for every member to have one, so I have not had an opportunity of looking at it yet. I want to know what the relationship is between that set-up and the war claims commission which has been operating under this department.

Mr. Bradley: One of the recommendations of the Ilsley commission was the setting up of this war claims fund, and there was a further recommendation that a commission be set up to administer the fund.

Mr. Fulton: Under whose department will that commission operate?

Mr. Bradley: The commission, when set up, will make recommendations to the government about the matter, but no decision has yet been made about the commission.

Mr. Fulton: May I ask the minister, then, whether we are any further along, and if so how much, toward a position where people who have lost all their assets as a result of enemy action—I refer particularly to those civilians who were prisoners of the Japanese—will be able to have some payment on their claims? When may we expect some final action?

Mr. Bradley: The government still has to deal with this report. It consists of some hundred pages concerning how these claims are to be dealt with; and in the meantime of course, there has been the decision to set up this war claims fund.

Mr. Fulton: Has the minister nothing further to say about it? I have asked him this question every time his estimates have come up, and each time we have been assured that the matter is being dealt as diligently as possible. Two years have gone by now, and some of these people are starving; in fact I do not know how some of them are living. Is there anything else the minister can say?

Mr. Bradley: I believe we are very much closer. At least we have the report of Mr. Justice Ilsley, than whom I do not think we

could get a more competent man in the dominion, and we have the war claims commission set up. Now we have to come to a decision on this report.

Item agreed to.

434. Companies branch, $87,658.

Mr. Fulton: I have some questions here, Mr. Chairman. I should like to ask the Secretary of State whether he has received complaints from lawyers as to the length of time taken between the filing of an application for incorporation and the granting of that incorporation. My information is that as much as two months sometimes elapses between the filing of the application and the granting of the letters of incorporation.

Mr. Bradley: It very often happens that there are errors in the documents filed, and frequently there has to be a conference between the department and the applicants before we can get these matters strengthened out. This sometimes takes time.

Mr. Fulton: Has the minister information as to the number of applications at the present time which have not yet been granted?

Mr. Bradley: I have no figures at the moment, Mr. Chairman, but I do not think there has been any undue delay.

Mr. Macdonnell (Greenwood): May I ask a supplementary question? How long is the delay? Surely one could have an idea. What the minister says about there being data to verify is understandable, but the profession is surely entitled to a certain degree of service. We are entitled, as representing the public, to know what the story is.

Mr. Bradley: If the documents are completely in order and all the requirements of the law have been fulfilled, there might perhaps be a lapse of two or three weeks. If everything is not in order it will take an indefinite time, depending upon the length of time required to get things properly in order as the law requires.

Mr. Fulton: Not wishing to misinterpret what the minister has said, may I ask him if we are to understand from the fact that it takes two or three weeks to process an application when things are in order, that if there be an error it would take some two or three weeks to find that there is an error and report back to the applicant?

Mr. Bradley: Possibly, but possibly not as long as that.

Mr. Fulton: I have no personal knowledge what the record was in the past, but is the fact that this two or three week period is necessary for processing an application an indication that there is an accumulation of work at the branch which, in effect, amounts to its being in arrears?

Mr. Bradley: There is a shortage in our staff, as a matter of fact, and the number of applications is increasing all the time. Perhaps there have been some delays, but not very many, except of course in cases where there are debatable points as between the applicant and the department. Then it may take months, and may involve a hearing in the minister's office. As a matter of fact, last week I had a hearing in the office which lasted over three hours.

Mr. Macdonnell (Greenwood): I can quite understand that when a question arises there may have to be a hearing and delays, but that seems to be a matter in which the applicant ought to be able to look after himself. What bothers me is that, if I understand the minister, where things are in order and there is no hitch of any kind, where I take it it is just a routine matter, I was shocked to hear the minister say it would take two or three weeks. I would have hoped he could say just two or three days. If it takes two or three weeks, I should like to know what is actually involved. So far as I am aware there is nothing very much to be done.

Mr. Bradley: It is not possible to lay down any definite rule in cases of that kind, because what sometimes happens is that an emergency arises or there is some reason why there should be particular haste, and priority is given to a case of that kind. One cannot lay down any definite period within which an uncontested—let us put it that way—application will be finally processed.

Item agreed to.

435. Trade marks branch, including a contribution of $2,400 to the international office for the protection of industrial property, $93,704.

Mr. McLure: This item refers to trade marks and so on. I notice that the total vote is $93,704, and the amount for stationery is nearly 11 per cent of that or $10,000 for office stationery, supplies and equipment. It would seem to be extremely high for office stationery, etc., when there is only $93,000 for the total office.

Mr. Bradley: I think some $5,000 of that amount is for the printing of the new act.

Mr. Herridge: Will the minister explain what this item of $2,400 means, which is described as a contribution to the international office for the protection of industrial property?

Mr. Bradley: That is our contribution to the fund under the international Paris convention of which we are members.

Item agreed to.

436. Bureau for translations, $898,025.

Mr. Pouliot: I should like to bring to the attention of the minister the fact that the French translations of the committee reports are available to hon. members a long time after they are published in English. The delay is so great that at times the reports are available only at a subsequent session. For instance, this year we had numerous reports of last year that we received only by the end of the session. The minister will realize that it is an abnormal situation.

I asked him if some suggestions had been made by the bureau for translations or by an organization called the technological institute of the French language. He said no. I will make a suggestion. The translators and perhaps the minister will be greatly surprised when they hear it. It is that we have too many printed reports of the evidence of the committees. The size of the reports we get is greater than that of *Hansard*. I wonder whether it is necessary to print everything that is said in the committees. It is true that there are some important committees; but when a member sits on a committee, he thinks the committee on which he is sitting is the most important of all the parliamentary committees. I would therefore ask the minister to suggest to his colleagues a considerable reduction in the number of printed reports of the evidence given before the committees.

Most of these reports remain unread by hon. members. It is physically impossible to read all of these reports. They are thrown into the wastepaper basket and this entails considerable waste. Will the minister, be kind enough to tell us today, tomorrow, the day after Monday or Tuesday what the cost is of the printing of the committee reports in English and in French? What are the committee reports that are published and what is the cost of the publication of those reports in both languages?

When I speak about the translation, what I say about it applies as well to the English edition of all those reports. Most of the time it is no more useful than is the French translation. Both should be suppressed. It is only in major cases that we should have printed reports of the committees.

Mr. Browne (St. John's West): I believe the hon. member who has just spoken has struck upon one way in which expenditures may be reduced. It seems to me, as the hon. member has said, that a committee member is chiefly interested in the committee on which he is serving. If he reads the evidence taken in that committee he is doing about all that he can do, if he is also to attend the sittings of the house. It is seldom that a member will read the reports of committees on which he is not serving. I therefore think the economy to which the hon. member refers could be effected with respect to both the English and the French editions.

I am not so sure, however, that this particular vote covers that matter at all. This has to do with salaries in the bureau for translations. Perhaps the Secretary of State can tell us where these people are employed and for what particular purpose. Is it in connection with the House of Commons and the Senate or elsewhere? While he is answering that question I wonder whether he would be good enough to explain why it is necessary, when they have 168 translators, to employ outside translators at a cost of $7,500?

Mr. Pouliot: I will tell the hon. gentleman,—

Mr. Lennard: The hon. member is not the minister.

Mr. Pouliot: —because I am familiar with the situation. I fought the bill for the institution of the bureau for translations. It was brought in by a Conservative Secretary of State, Mr. Cahan, on the suggestion of a civil servant who was afraid of being fired. This civil servant created the position of superintendent of the bureau for translations in order to have a niche for himself there in case he was fired, but he was not. That was the only purpose of the establishment of the bureau for translations.

Moreover I will tell the hon. gentleman that the House of Commons has no control over the translators. Prior to that time the translators were under the jurisdiction of Mr. Speaker; that included the translators of the committee reports, the translators of *Hansard* and all the translators that were doing the work of the House of Commons. They were under the immediate jurisdiction of Mr. Speaker. That situation was changed. Now all the translators are in the bureau for translations under the immediate jurisdiction of the superintendent of the bureau for translations and then of the Secretary of State. We have no more to do with them. They are no longer the employees of the house. The same applies to the *Hansard* reporters. Prior to that time *Hansard* was under the jurisdiction of the House of Commons. That was the purpose of the debates committee,

of which I happened to be the chairman, without canvassing for that honour.

Mr. Browne (St. John's West): You did not find a niche.

Mr. Pouliot: I thank the hon. member. The debates committee has nothing to do now except to decide on the number of copies of *Hansard* that should be available to the members of parliament for free distribution.

Mr. Knowles: It had one meeting about four years ago.

Mr. Pouliot: Prior to that time it had frequent meetings, because it was on the recommendation of that committee that the staff of *Hansard* was appointed. That committee also had jurisdiction over the translators. Now nothing of the sort exists. This situation has come about as a result of Conservative policy and legislation that was enacted when Mr. Bennett was in power.

Mr. Browne (St. John's West): How long ago was that?

Mr. Pouliot: It was in 1934. The record is downstairs. What I regret is that we no longer have authority over the employees of the house. The same thing is true with respect to the elevator men. They are not under the authority of Mr. Speaker; they are under the jurisdiction of the Minister of Public Works. A number of those in the civil service besides the stenographers, the messengers, the members of the protective staff, the post office and others who do our work are not under the jurisdiction of Mr. Speaker. That is a situation which I think is abnormal. Moreover, in 1936 I introduced legislation to repeal the act establishing the bureau for translations. Unfortunately the Speaker at the time did not understand the thing very well and he declared the bill out of order. But here it is. The hon. member for St. John's West has the whole story.

Mr. Browne (St. John's West): I am very grateful to the hon. gentleman. He does seem to be well informed on the subject; nevertheless I should like a reply from the Secretary of State.

Mr. Bradley: Whatever may be the merits of the argument of the hon. member for Temiscouata, whose experience in this chamber extends over a much longer period than does mine, the fact still remains that parliament has charged this department with the responsibility for the bureau of translations. We have to look after all translations for parliament and for all government departments and agencies.

Mr. Browne (St. John's West): Explain the need of the outside translators.

[Mr. Pouliot.]

Mr. Bradley: That happens during the time parliament is in session, particularly, when we have more work to do than ordinarily.

Mr. Lennard: What work?

Mr. Herridge: I do not wish to be discourteous to the hon. member for St. John's West, but I think he has things upside down. When dealing with the question of committee reports, I understood the hon. member to say that only the members who were on the committee read the reports; the others did not read them. It is the other way round. It is the members who are not on the committees who, in my opinion, need the reports.

Mr. Browne (St. John's West): The hon. member said "need" not "read".

Mr. Herridge: I always read the reports to see what the hon. member for St. John's West has said on any question. If I did not read the reports I would not know.

Mr. Browne (St. John's West): I cannot return the compliment.

Mr. Bradley: We have to look after whatever parliament gives us to translate. It is not our business to say what we should do. We do what we are told by parliament, and the additional men we engage during rush periods are in the nature of a temporary staff, as it were. They are paid for doing their work and we think we save money because we do not have them on the staff all the year round.

Mr. Lennard: The Secretary of State said that when the house was sitting they needed additional translators or additional staff. I should like to know what the translating staff have to do when the house is not sitting.

Mr. Bradley: We have to translate reports and correspondence from all departments of government throughout the year.

Mr. Knight: Do the interpreters who interpret in regard to censorship of books for the Minister of National Revenue come under the jurisdiction of that minister, or under the jurisdiction of the Secretary of State?

The Chairman: I am sorry to interrupt the hon. member; I do not think the minister heard the question.

Mr. Bradley: I did not hear the question, Mr. Chairman.

Mr. Knight: There are certain interpreters used in the department that censors books and literature. That censorship is under the jurisdiction of the Minister of National Revenue. My question was whether the interpreters under the jurisdiction of the Secretary of State are used for that purpose,

or whether these interpreters are under the jurisdiction of the Minister of National Revenue, who is supposed to be the censor of literature in Canada.

Mr. Bradley: We have nothing to do with interpreters. If any document has to be translated for any department of the government our bureau for translations does it.

Mr. Pouliot: With the exception of the Senate, because the Senate has kept its jurisdiction over the translators and has set a good example to the House of Commons. In 1934 the House of Commons abandoned its rights over the translators, while the Senate kept them.

Mr. Knowles: Perhaps the hon. member for Temiscouata will not mind at this point if a part of what he said when he was on his feet before is corrected. He was correct, I would say, in telling us that the translators do not come under the jurisdiction of the House of Commons, but the other groups to whom he referred before, the reporters, the postal branch, the stenographic branch and so on, all come under the jurisdiction of the Speaker. They are listed under legislation.

Mr. Pouliot: Not for their appointment, as it did before. That is what I am talking about.

Mr. Knowles: That is not what the hon. member said.

Mr. Pouliot: Oh, yes. I used the English language. My hon. friend is quick enough to understand it.

Mr. Macdonnell (Greenwood): It seems to me there is still a difference between two authorities, and I should like to have this matter straightened out. As I understood him, the hon. member for Temiscouata told us that we no longer have any control over the translators. On the other hand, the Secretary of State, as I understood him, said the translators did what the House of Commons ordered them to do. These two statements, if I correctly summarized them, seem to me to be in conflict.

Mr. Bradley: We do the work that is sent to us to do.

Mr. Fournier (Hull): A service department.

Item agreed to.

437. Canada Temperance Act, $1,000.

Mr. Fulton: Can the Secretary of State explain why this item of $1,000 for legal fees with respect to the Canada Temperance Act is necessary?

Mr. Bradley: That item is there in connection with the Canada Temperance Act to be used if necessary in places where the federal government has to foot the bill. I do not know whether anything will arise this year.

Mr. Fulton: What are these places? I am seeking information about this?

Mr. Bradley: This act is now in force in only two places for which we have any responsibility. Should it be put in force in some other part of the country where we have responsibility we may have to use that vote.

Mr. Fulton: Does the Secretary of State not think that we could wait until we put the act in force in these places where we have responsibility before asking parliament for this money, which is the basis for taxation which is struck?

Mr. Bradley: No; we must have the vote there, because we do not know when the occasion is going to arise.

Mr. Fulton: How long is it since an occasion has arisen?

Mr. Bradley: Any place in Canada can put the act in force. If that should happen it may be that we shall incur expenses in connection with it.

Mr. Fulton: I am sorry; I do not quite see the force of the minister's explanation. It would seem to me that if this is an act which it may become the responsibility of this government to enforce—the Secretary of State has not yet said how long it is since that situation has arisen, but I would gather that it is many years—surely the Department of Justice could make counsel available to his department to look after it. Surely the Department of Justice and the counsel available within that department could look after it. I must say that at the present time I cannot see why this item of $1,000 should be included for something that looks like a contingency which never arises.

Mr. Bradley: This is a federal act. I understand that in Ontario the province bears the cost of enforcement wherever it may be necessary. However, there are parts of Canada where this is not done. Should the act be put into force in one of those places where the province will not bear the expense, then we have to do it. That is the reason for the vote.

Mr. Fulton: Will the minister tell us how long it is since that situation has arisen? How long is it since the act has been put into force in any place where this government would have jurisdiction?

Mr. Bradley: Until 1950 the act was in force in the county of Beauce, in the province of Quebec.

Mr. Fulton: I take it that it is not in force there now, and that there has been no need for this money in the last two years.

Mr. Bradley: That is right.

Mr. Fulton: Is it not the minister's opinion that we should dispense with the item until we have notice that the act has been proclaimed elsewhere?

Mr. Bradley: We cannot wait until the next session. If it happens to come into force in the meantime we have to enforce it.

Mr. Macdonnell (Greenwood): This has been going on for years. How much is in the fund now?

Mr. Fournier (Hull): It lapses every year.

Mr. Bradley: Yes, it lapses each year.

Mr. Pouliot: As you know very well.

Item agreed to.

Patent and copyright office—

439. Patent division (including the former patent record division), $840,391.

Mr. Browne (St. John's West): I notice there is an increase in staff from 13 to 22 in the administration division, and that in the patent division there is an increase in number of staff from 138 to 146. Would the minister explain that? Then, in previous discussions of this kind we have been informed that the patent division is behind in its work. Is that still true?

Mr. Bradley: This is simply a shift of salaries from one portion of the branch to another. The men are still doing the same work.

Mr. Browne (St. John's West): Would the minister answer the other question I asked, as to the patent office being behind in its work. Is that true today?

Mr. Bradley: During the year we received 15,448 new applications, of which we disposed of 14,496. We have an increase of 952 pending applications. Considering that there was an increase to the extent of 1,124 new applications filed during the year, we think we have held our own fairly well.

Mr. Macdonnell (Greenwood): I have here the report of the commissioner of patents for the year ended March 31, 1951. There are one or two things in it with which I am not familiar. In the fourth paragraph on page 10 there is reference to the London accord, and to German patents. Would the minister explain that paragraph and the significance of those expressions? What does the London accord cover, and do we come in under it?

Mr. Bradley: Immediately after the war the London accord became an arrangement under which citizens of allied countries could get, royalty free, the right to use wholly-owned German patents.

Mr. Macdonnell (Greenwood): That is a very brief and, I suppose, complete explanation. But I see on page 5 a reference to 11,000 claims under the international convention. Would the minister explain the significance of the international convention as distinct from the London accord?

Mr. Bradley: Under the Paris convention some 50 or 60 countries by agreement among themselves made an arrangement whereby nationals of those several countries would have the same rights in other countries, in respect of industrial property, as in the country of origin.

Mr. Macdonnell (Greenwood): Would the minister enumerate those who are included? Perhaps it would be easier to enumerate those who are not included.

Mr. Herridge: And would the minister please explain his answer? It is not very clear to us.

Mr. Bradley: Roughly, in the western world it would include Canada, the United States, Mexico and Brazil. It includes also the western European countries. Roughly speaking, other countries would be out.

Mr. Macdonnell (Greenwood): The minister has referred to 50 or 60 countries, and in enumerating them he referred to Canada, the United States, Brazil and European countries. That would be only about a dozen. Is South America out?

Mr. Bradley: I have not the figures here at the moment, but if my hon. friend wishes to have them I can get them for him accurately.

Item agreed to.

440. Copyright and industrial designs division, including a contribution of $2,100 to the union office for the protection of literary and artistic works, $20,279.

Mr. Fulton: Earlier this session I had occasion to bring to the attention of the minister a suggestion made by the exhibition association in Vancouver that at agricultural fairs where musical compositions are played, not for profit but simply for the entertainment of the crowds attending such fairs, they should be exempt from the payment of copyright fees on such musical works. Such musical pieces are played not for profit but for the entertainment of the people attending the fair, and it is contended that they should be exempt from the payment of the copyright fees on musical works.

I understand that attempts have been made several times in the past to frame a section

for the Copyright Act which would have the effect of exempting agricultural fairs from the payment of royalties on music played under such conditions. Apparently those attempts were not successful, and I wonder if the minister would say what is the position today and what is the government's attitude toward the request of the Vancouver organization—they may have been joined by others—that the legislation should be amended to exempt agricultural fairs from the payment of royalties on the performance of copyrighted music.

Mr. Bradley: I understand that this matter has been referred to the supreme court and apparently their views are not particularly favourable to the organization my hon. friend has mentioned. We are prepared to take this matter under consideration, but just what will be the result from the standpoint of policy I am not prepared to say at the moment. I understand there are cogent arguments which could be used against it.

Mr. Fulton: Did the minister say that the supreme court does not look with favour on the organization to which I have referred?

Mr. Bradley: The Supreme Court of Canada gave a judgment, the interpretation of which was unfavourable.

Mr. Fulton: Perhaps I could put it this way: the supreme court gave a judgment which interpreted the Copyright Act in a sense which was unfavourable to the organization.

Mr. Bradley: Yes.

Mr. Fulton: That was some time ago and I understand that representations have since been made that this action be taken. I have received letters and I have written to the minister about it. I wonder if he could indicate what is the present position.

Mr. Bradley: The position is unchanged but, as I said before, we are prepared to consider that particular point when we revise the act.

Mr. Fulton: When will the revision of the act be undertaken?

Mr. Bradley: Probably within the next twelve months.

Mr. McLure: The total vote is $20,279, and over 20 per cent of that is for stationery. That seems completely out of line with the other items. They must be great letter writers.

Mr. Bradley: There are a lot of copyright certificates to issue, and copies have to be issued as well.

Mr. Green: Has the department given any consideration to a problem which arises in connection with the importation of educational and scientific books. I understand that books of that type come in duty free, but because of the provisions of our Copyright Act the Canadian purchaser of such books may not get the benefit. The Copyright Act permits the publisher of such a book to send these books to a Canadian agent and set whatever price he desires on them. I have had complaints from people in Vancouver that they have had to pay several dollars more for a book in Canada than it was selling for in the United States.

One man wrote to the United States for a book listed at a certain price but the publisher told him that he must get it from the Canadian agent, and he found several dollars was added arbitrarily to the United States price. In other words the copyright law is being used to extort higher prices from Canadian purchasers of these books, and that seems to me to be unreasonable.

Mr. Bradley: I am not prepared to give the hon. member an answer right now, but we will look into it.

Mr. Green: It is most unfair that such a situation should be created by our copyright law which apparently gives such wide protection to the holder of a copyright that he in turn can hold up the public and deprive them of the benefit that should accrue from no duty being payable. I ask the minister to look into the whole situation.

Mr. Bradley: I shall be glad to do so.

Mr. Lennard: What is this contribution to the union office for the protection of literary and artistic works? Why do we have to contribute to this union?

Mr. Bradley: We are members of the organization and we have to contribute to its upkeep.

Mr. Lennard: What is that?

Mr. Bradley: The Berne union.

Mr. Pearkes: I wrote to the minister about a year ago stating that representations had been made to me that an amendment should be made to the act so that horticultural creations could be patented or copyrighted. Could the Secretary of State say what action has been taken? It seemed to me that the larger horticulturists were anxious to have this amendment, whereas it might prove detrimental to the smaller growers who would have great difficulty in paying for the necessary copyright for patents or whatever it is called.

Mr. Bradley: This comes under patents, but I have no objection to answering. The matter is under consideration now. I believe a system of protection has been introduced in the

United States, and we are watching to see how they get along with it.

Mr. Pearkes: Will you keep in mind the interests of the small growers?

Mr. Bradley: Yes.

Mr. Pearkes: It is so easy for a big firm to import a creation and get a copyright on it or a patent, as we call it, whereas the smaller man who has developed a floral creation cannot get a copyright. Therefore his interest is excluded from the development of that particular species. I do not think it is altogether a good thing to have this copyright included unless adequate safeguards are given.

Mr. Lennard: With respect to this union office, is the government a member of the union and what union is it?

Mr. Bradley: It is a union for the protection of industrial property.

Mr. Knowles: It says literary and artistic works in the book of estimates.

Mr. Macdonnell (Greenwood): I am sorry, but I have not understood about this union yet. Who are the members of the union? Is it international? Is it the various nations that are the members, or who are the members?

An hon. Member: The check-off.

Mr. Knowles: That is right. This is the check-off.

Mr. Bradley: Reading from the second schedule to the Copyright Act, which is the revision convention signed at Berlin on November 13, 1908: This convention, Mr. Chairman, was revised again at Rome in 1928 and at Brussels in 1948.

Convention for the purpose of revising the convention of Berne of the 9th September, 1886, the additional article and the final protocol attached to the same convention, and the additional act and the interpretative declaration of Paris of the 4th May, 1896; made on the 13th day of November, 1908, between His Majesty the King of the United Kingdom of Great Britain and Ireland, Emperor of India; His Majesty the German Emperor, King of Prussia . . .

—and so on.

Mr. Macdonnell (Greenwood): Then as I understand it this is an international union of various nations. What do they do? Are they joined together to give mutual protection?

Mr. Bradley: It renders mutual copyright protection in somewhat the same way as is done for industrial property.

Item agreed to.

Office of the Chief Electoral Officer—

56. Salaries and expenses of office, $60,963.

Mr. Green: Will the minister explain the reason for the increase in this item?

[Mr. Bradley.]

Mr. Bradley: I think the increase is caused mainly by the increase in salaries. I believe that is the main cause.

Mr. Green: I noticed on page 129 where the details of the vote are given—

Mr. Bradley: I might add that there is another cause. The employees of the chief electoral officer were brought under the jurisdiction of the civil service commission and that led to a readjustment of salaries upward. That also is responsible in part for the increase, and then there was the general increase in salaries.

Mr. Green: In the details we find an amount of $14,280 for casuals and others. That is an expense which was not incurred in the preceding year. What is the explanation for that?

Mr. Bradley: The explanation for that is that seven additional employees had to be taken on in connection with extra work the chief electoral officer had to do as a result of the change in the election act which resulted in the issuance of a new instruction book.

Mr. Browne (St. John's West): The amount of $14,280 is for the coming year. Have they been taken on since April 1?

Mr. Bradley: I believe they are employed now. I might add that the seven employees who were taken on have to divide into parcels and package some 300 tons of election material to be used whenever required.

Mr. Knowles: When will that be?

Mr. Bradley: You tell me.

Mr. Knowles: We thought we might catch you napping.

Mr. Adamson: Three hundred tons seems like a lot of paper, but only a small portion of it has any real validity.

Mr. Bradley: That will continue to be so.

Mr. Adamson: I want to ask where the expenses appear for the work done in establishing the Northwest Territories election machinery. Do they appear under this item or under the Northwest Territories estimates?

Mr. Bradley: All expenses for elections are paid out of the consolidated revenue fund.

Mr. Adamson: It was said in the house the other night that under the new legislation for the Northwest Territories the chief electoral officer and his officials have spent some considerable time setting up election machinery for the first time in the Northwest Territories. There must have been extra expense for that work. It must have taken his time and probably the time of many of his staff. They must also have had travelling expenses. Is

that in this vote or is it in the vote for the Northwest Territories?

Mr. Bradley: That was paid out of the consolidated revenue fund, and I understand the amount was in the neighbourhood of $14,000.

Mr. Cardiff: The minister referred to seven employees having received a lot of the money in this vote for the distribution of tons of this election material. Surely to goodness they are not carried from one year to the other to run an election once every four or five years.

Mr. Bradley: These employees were taken on in January. They will probably be there about a year.

Mr. Browne (St. John's West): I notice on page 129 that sundry expenses of elections are set at $25,000 for 1951-52 and also for 1952-53, but to the left of those figures actual expenditures are shown as $222,000 in 1950-51 and $327,000 is the estimated amount for 1951-52. Can the minister tell us how much has been spent so far with respect to the six by-elections in 1952-53 for which there cannot be any vote in these estimates?

Mr. Bradley: As I say, these election expenses are paid out of the consolidated revenue fund but the Auditor General insists that we keep that vote there every year.

Mr. Browne (St. John's West): Can you tell me how much the six by-elections cost?

Mr. Bradley: I understand that the accounts have not all been paid yet.

Mr. Browne (St. John's West): How much has been paid so far?

Mr. Bradley: We have not that information.

Mr. Browne (St. John's West): Can you get it?

Mr. Bradley: We can get it for you.

Mr. McLure: I want to draw attention to another item having to do with stationery.

Now here is an expenditure of $60,000 and the stationery item is only $750, whereas in some of the other votes it was more than 25 per cent of the total vote.

Mr. Pouliot: It is because this is a branch of the department in which there is no red tape.

Mr. Pearkes: Is the hon. member a parliamentary assistant?

Mr. Bradley: That is just office stationery, Mr. Chairman.

Mr. Green: What practice will be followed with regard to the appointment of returning officers once the redistribution bill has passed? There are to be new ridings, of course, and some ridings are to be wiped out. What procedure will be followed, and how long will it be before the returning officers are appointed for all these ridings?

Mr. Bradley: We can do nothing, Mr. Chairman, until the redistribution bill passes. Then the appointments will be made by order of the governor in council as soon as possible.

Mr. Green: Will they be appointed during this calendar year?

Mr. Bradley: Possibly; I hope so. One never knows when the hon. member for Winnipeg North Centre will bring about an election.

Mr. Knowles: While we are making up our minds on that point, may I remind the Secretary of State that it is usual for the redistribution bill, as we call it, not to become effective until after dissolution.

Mr. Bradley: There is authority in the Canada Elections Act for the appointment of returning officers in these new ridings when the new act passes.

Mr. Fulton: I wonder if the Secretary of State could explain to me how, under the item of expenses of elections, where the vote is $25,000 this year as it was last year—

Mr. Fournier (Hull): That question was asked twice before.

Mr. Knowles: Go ahead and see if you get the same answer.

Mr. Fulton: Perhaps the answer was not understandable. What I am interested in is how expenses of $327,000 are paid out of the amount that is authorized?

Mr. Bradley: For the benefit of the hon. member I do not mind answering the question again. Election expenses are paid out of the consolidated revenue fund, but the auditor general insists that we have an item of $25,000 in the estimates each year.

Mr. Knowles: That is the same answer he gave last time.

Item agreed to.

Civil service commission—

78. Salaries and contingencies of the commission, $1,912,064.

Mr. Knowles: I should like to ask some questions that may involve the Secretary of State getting some figures. If that means that any more officials need to come in, then I have given fair warning.

While waiting for that, may I draw to the attention of the Secretary of State a paragraph in a document which has just recently been published. It does not bear a date of publication, but on the back at least there is a note which says it was printed in 1952.

It is entitled "For your information as a civil servant of Canada", and it was prepared by the staff training division of the civil service commission, Ottawa. On page 16, under the general heading "Your promotion opportunities", I find this paragraph:

> When vacancies occur, a sincere and planned effort is made to select the best person available, regardless of sex, religion, nationality, political belief, personal sponsorship, overseas service or any other extraneous consideration.

I shall grant, Mr. Chairman, that some of these considerations are correctly described, but is that a correct way of referring to overseas service—as an extraneous consideration?

Mr. Bradley: From where did the document come?

Mr. Knowles: I thought I indicated it came from the civil service commission. It is a booklet entitled "For your information as a civil servant of Canada", prepared by the staff training division of the civil service commission, Ottawa. It was printed by Edmond Cloutier, C.M.G., O.A., D.S.P., queen's printer and controller of stationery, Ottawa, 1952.

Mr. Bradley: Would you mind reading that again?

Some hon. Members: Oh, oh.

Mr. Knowles: I think I know the cause of the levity, but I regard the matter to which I have drawn attention as quite serious. It seems to me that somebody has made a slip. The paragraph reads:

> When vacancies occur, a sincere and planned effort is made to select the best person available, regardless of sex, religion, nationality, political belief, personal sponsorship, overseas service or any other extraneous consideration.

I agree that, in civil service matters, all those considerations except the last one might properly be designated as extraneous. Surely the civil service commission does not regard overseas service as an extraneous consideration.

Mr. Bradley: I wonder if the hon. member for Winnipeg North Centre would tell us whether that applies to appointments or promotions?

Mr. Knowles: According to the book it appears, as I said before when I read this the first time, Mr. Chairman, under the general heading of "Your promotion opportunities".

Mr. Bradley: I understand that overseas service does not apply to promotions.

Mr. Knowles: Does the Secretary of State feel that even if that is the case it is proper to refer to overseas service as an extraneous consideration.

[Mr. Knowles.]

Mr. Bradley: From the standpoint of promotions it is apparently not to be considered; that is what the statement says.

Mr. Knowles: We shall leave it to the Secretary of State to get a copy of this booklet, and see what he really thinks about it. May I ask the minister whether he has any up-to-date figures as to the number of civil servants in the various categories, permanent, temporary permanent, temporary and any other category. I do not want to confuse him—

Mr. Pouliot: Take permanents first.

Mr. Knowles: We shall take the permanents first, then the temporary-permanent and temporary. Can the minister give the figures for this year, last year and perhaps the year before that?

Mr. Bradley: There are, roughly, 130,000 employees under the civil service commission. Of those 60,000 are permanent and 70,000 are temporary.

Mr. Knowles: What was the situation a year ago and two years ago?

Mr. Bradley: The increase in the permanents last year was 10,000 and the year before about 6,000, so the number of temporary employees would be reduced accordingly.

Mr. Knowles: Can the Secretary of State divide the temporaries into ordinary temporaries and temporary permanents?

Mr. Bradley: We have no such distinction.

Mr. Adamson: I should like to bring to the attention of the Secretary of State a case which concerns pensions of civil servants. Apparently some distinction is made between veterans who served in the first world war and those who served in the second world war.

A veteran of world war I entering the civil service after July, 1924, can have his war service counted towards his superannuation on paying double the normal contribution for that period—that is, the employee's share and the government's share—plus 4 per cent interest.

However, as he entered the service after July, 1924, he comes under the provisions of part I of the Civil Service Act which stipulates a ten-year salary average to establish his rate of pension.

Had he entered the service prior to July, 1924, part IV of the act would have applied and his pension would have been based on the average salary of five years. In short, the 1914-18 veteran, although he is purchasing service for that period at a high rate plus interest, is denied the privilege of being

placed under part IV with resulting benefits in retirement.

Mr. Bradley: Mr. Chairman, I think that is a matter for the Department of Finance, not for this department.

Mr. Adamson: Does not the question of civil service pensions come under this item?

Mr. Bradley: No, Mr. Chairman.

Mr. Adamson: Does not the civil service commission set the rules of entry?

The Deputy Chairman: Order. I was trying to apprehend the purport of what the hon. member was saying. I think he will find that the matter can properly be discussed under item 130 of the Department of Finance.

Mr. Knowles: May I ask whether the civil service commission has anything to do with the prospect of the five-day week, or is that matter also to be referred to the Minister of Finance?

Mr. Bradley: I think the days and hours of work are determined by the treasury board.

Mr. Knowles: All right. We will take that matter up with the Minister of Finance.

Mr. Adamson: There is just one other question I want to ask and it is this. Under what rules does a person become permanent? Who sets the designation? I have in mind one case of a civil servant who has had 27 years with one department, has been promoted three or four times, and has been actually in charge of one of the subdepartments of this department in the absence of the director. Yet despite all efforts, and despite 27 years of continuous service, he has not been able to be classed as a permanent civil servant. A great deal of that service, in fact most of it, was given overseas. This civil servant is in the department of immigration, as a matter of fact. That fact may have something to do with the matter. After that length of service it would seem to me a gross injustice not to have that civil servant classed as a permanent civil servant, particularly having regard to the fact that he has for years requested that he be considered as such. Who decides? Is it the minister? Is it the director? Is it the civil service commission? Who makes the decision?

Mr. Bradley: The decision will depend upon two questions. The first is whether the work he is doing is of a permanent character. Second, the department must report that his work is satisfactory and ask for his transfer to the permanent list.

Mr. Adamson: The work is of a permanent character.

Mr. Bradley: I wonder whether the hon. member would be good enough to give me the details of that particular case. I will be glad to look into it.

Mr. Adamson: I will, Mr. Chairman.

Mr. McLure: Does the civil service commission make any appointments?

Mr. Bradley: I understand that it made 29,000 appointments last year.

Mr. McLure: Did it make those appointments on the record of the candidates, having regard to how they are appraised on their examinations?

Mr. Bradley: That is so; yes.

Mr. McLure: Or did it merely make recommendations to the government instead of making the appointments?

Mr. Bradley: The civil service commission is an independent organization. The government does not interfere with its decisions.

Mr. Browne (St. John's West): How many civil servants are ordinarily resident in Ottawa?

Mr. Bradley: About 32,000.

Mr. Browne (St. John's West): That is a high number for this city. I take it that the people of other provinces and other cities outside of Ottawa are given opportunities to take examinations for appointment here? Would that be correct?

Mr. Bradley: Yes.

Mr. Browne (St. John's West): Following up that question there is one other I wish to ask. As to the people at the extremities of the country—for instance, those in British Columbia or in Newfoundland—does it work out in practice that although they are notified of positions, they do not actually enter to any extent and compete?

Mr. Bradley: The commission has regional offices in every province in Canada, I understand, and they issue notices. Application can be made through the regional office in each province.

Mr. Browne (St. John's West): Are there actually many applications for appointments that are being made here in Ottawa?

Mr. Bradley: As a matter of actual fact quite a large proportion of officials do come from the extremities of Canada, but frankly not as many as we would like.

Mr. Macdonnell (Greenwood): The minister just said the commission had made 29,000 appointments, I think it was, last year. If I remember correctly he said earlier that the increase in the number of civil servants had been only 10 per cent of the total.

Mr. Knowles: He said the number of permanents had increased by 10,000 and that the number of temporaries had decreased by the same number.

Mr. Macdonnell (Greenwood): What does that indicate as to wastage? The argument is apparently stronger if there are 29,000 appointments made and the numbers are no greater.

Mr. Bradley: The 29,000 includes wastage. The actual increase was about 8,000.

Mr. Macdonnell (Greenwood): That is the point I want to get at. Is there wastage of 21,000?

Mr. Bradley: That is turnover.

Mr. Macdonnell (Greenwood): That seems terrific. Is there anything that can be said in mitigation of what seems to be a rather astonishing figure?

Mr. Bradley: It has been much higher during the last two years. For that we blame the industrial situation to some extent.

Mr. Green: Does the minister mean that the members of the service are able to get so much better salaries outside that they are leaving the service?

Mr. Bradley: In a good many cases that is so; yes.

Mr. Adamson: Then the turnover in the civil service is of the nature of 24 per cent per annum.

Mr. Bradley: I have not worked out the percentage.

Mr. Adamson: There are 130,000 civil servants. Is the turnover 29,000?

Mr. Bradley: We have to take into account the fact that a good many of those appointments are for short terms, and there may be a turnover in one appointment perhaps two or three times a year.

Mr. Adamson: Are most of these 29,000 in the lower brackets, or are a fair percentage of them in the upper brackets? What I am interested in is not only the turnover in the lower brackets, but the appeal by industry for the higher paid civil servants. Are we losing a great number of civil servants in the higher brackets to industry, and particularly civil servants who have technical skills?

Mr. Bradley: No; the bulk of the turnover is in the lower brackets.

Mr. Browne (St. John's West): The minister said a few moments ago the government does not interfere in connection with appointments. I understand examinations are held for appointments. After the examination a person is appointed. Those who rate in order of merit are listed, I understand. Has it been the experience during the past year that all those who happen to be in second place have received the appointment, if a vacancy occurred in the position?

Mr. Bradley: No; there are cases in which the department rejects the higher candidate.

Mr. Macdonnell (Greenwood): What happens in that case? Is there a report to the minister? I have known of a case where I think that happened. What happens in such an incident as that? Does it remain wholly with the commission or not, where the commission decides not to act according to the strict principles laid down. I am not saying that is never the right thing to do, but I am asking whether in such a case there is any report to the minister of the circumstances. Is there a check of any kind on the commission in the matter?

Mr. Bradley: Is the hon. member referring to a rejection by the department?

Mr. Macdonnell (Greenwood): I understood the minister to say there were certain cases where the person who came highest, according to the ordinary test, was not appointed. I know that happens occasionally and I am asking the minister whether in such a case there is any procedure whereby a report is made to the minister or to someone else. In other words, in such an exceptional case is there some reviewing authority?

Mr. Bradley: So far as the commission is concerned the candidate who gets the highest marks gets the job, but he may be rejected by the department. Section 24 of the act reads as follows:

> The deputy head may, at any time before the expiration of six months, reject any person assigned or appointed to any position under his control or direction, or he may extend the period of probation within which such person may be rejected for another six months; and the cause of rejection, or the reason for extending the period of probation, shall be reported by the deputy head to the commission.

Mr. Macdonnell (Greenwood): That is the other way around.

Mr. Bradley: Yes.

Mr. Macdonnell (Greenwood): That is to say, the deputy head may for cause refuse to continue an appointment and then refer it to the commission?

Mr. Bradley: Yes.

Mr. Macdonnell (Greenwood): That part is clear; but does the minister now say that the commission is bound, absolutely bound,

to appoint the person who receives the highest marks? "Marks" was the word he used. Is it as definite and as rigid as that? That surprises me. I am also wondering if it is quite as rigid as that in practice.

Mr. Bradley: I do not think I shall read the section unless the hon. member requires it, but ordinarily the decision is that the person getting the highest number of marks gets the position, so far as the civil service commission is concerned, but considerations may arise occasionally which would cause them to give a different decision.

Mr. Macdonnell (Greenwood): What would those considerations be?

Mr. Bradley: Special qualifications.

Mr. Macdonnell (Greenwood): That comes back to this.

Mr. Bradley: I will read the section of the act to you, if you like.

Mr. Macdonnell (Greenwood): Let me put my question first. A few minutes ago the minister used the word "marks" which suggested that the whole thing depended on examination. Now he is using a broader term, which I think might be quite sensible, an additional test. But I want to know whether in fact it is marks, or whether the commission is entitled to use its discretion. For instance, there are certain appointments that are made partly as a result of written examinations and partly as a result of a personal interview. What is the situation here?

Mr. Bradley: The section reads:

> The commission shall thereupon appoint the person whose name stands highest upon the commission's list of eligible persons for the class in which the position is found and who is willing to accept the appointment; in case there is no such list for the class, the commission shall forthwith hold an examination and, if necessary to prevent any serious interference with the public business, but not otherwise, may fill the position at once by making a temporary appointment as prescribed herein.

Mr. Macdonnell (Greenwood): I am getting more confused every moment because that seems to refer to a list. If that list was not available and you went on and had an examination, what would happen? Would the minister read those words again?

Mr. Bradley: They read:

> The commission shall thereupon appoint the person whose name stands highest upon the commission's list of eligible persons—

Mr. Macdonnell (Greenwood): How is that list arrived at?

Mr. Bradley: By a competitive examination. An examination may be either written or oral or both oral and written.

Mr. Macdonnell (Greenwood): I want to return to the item which was up a moment ago, namely the item of wastage. The minister seemed to give the answer in a very general and somewhat offhand way. All we got in the end was that the wastage was predominantly among the junior ranks, which is what one would expect because there are more of them. But I would have thought that would be a matter of such deep concern to the minister and to his senior officials that we should be able to get some rather detailed information. I would have thought there must be some rather significant facts which should enter in here. I do not feel like leaving it in that entirely general, and if I may say so, offhand way.

Mr. Bradley: I understand this subject is being considered very seriously by the commission now.

Mr. McLure: Does the civil service commission make appointments? I asked that question before, and the answer was that it does. However, a little over a year ago I was interested in two individuals who had taken part in an examination. Altogether there were four or five who took the examination for a civil service position, but the man who ranked highest in both the written and oral tests did not get the appointment. The man who came third was appointed. Of course, according to my belief, the civil service commission did not make any appointment at all; I always think it is the government that makes the appointment. Of course I may be wrong in that.

In this instance, according to the regulations of the commission the man at the top should have received the appointment. I do not wish to give names because the man who was appointed is a good chap and a friend of mine, but his capabilities are not nearly equal to those of the man who was first in the test. They are not in the same class at all.

Mr. Richard (Ottawa East): Perhaps he got it because he was a friend of yours.

Mr. McLure: No; the fellow who got the job was a strong Liberal.

Mr. Richard (Ottawa East): And that is why he was a friend of yours?

Mr. McLure: He was a friend of mine, just the same.

Mr. Hees: We make allowances.

Mr. McLure: And that was the reason he got the job. It is a pity to have this question bandied about here tonight. What we should do is to have the officers of the civil service commission before us for an hour or two so we could iron out some things we all know

are not as smooth or as straight as they should be. I realize that recommendations are made to the Department of Finance, the Department of Agriculture, or whatever department it may be; but I do not think those recommendations are carried out. I say the department turns around and says to the civil service commission, "We will tell you whom to finally appoint". Then the appointment is made.

Mr. Bradley: I wish to repeat that the government does not interfere with appointments made by the civil service commission. There are cases when departments reject those who have been selected by the commission, but they would constitute less than one per cent of the whole.

Mr. Stuart (Charlotte): I wish to say only a few words, and they are words of congratulations to the civil service commission upon the very fine job they are doing. I say that seriously and sincerely. My only complaint in the county of Charlotte is that those who receive the appointments are all Tories. I repeat that in my view the commission is doing a fine job, and they are to be congratulated upon the way they make appointments.

Mr. Knowles: Have you never seen D. R. Bishop?

Mr. Adamson: What is the procedure when a minister requires a certain man? Can he appoint him without going through the civil service commission? The Department of Defence Production would be a case in point. The minister of that department might require a certain man for a specific job. Generally the man selected must sacrifice a great deal when he accepts the job. However, the minister wants one man he knows could fill that job, and he does not want to go through the civil service commission. The man is needed in a hurry. What is the machinery? Is it possible to by-pass the civil service commission in a case of that kind?

Mr. Bradley: It can be done where parliament gives authority to do so; but not otherwise.

Mr. Adamson: Parliament gives authority through what means? Is it by order in council?

Mr. Bradley: By statute.

Mr. Balcom: With regard to the returned soldier preference, is there a point where that preference does not operate as against non-soldiers?

Mr. Bradley: If a returned veteran comes up to the standard required by the department, he has absolute preference over all other candidates.

[Mr. McLure.]

Mr. Macdonnell (Greenwood): Is that only in respect of appointments?

Mr. Bradley: For appointments, yes.

Mr. Balcom: Does that mean that the man who was able to pass the examination would not receive the appointment, but that a returned soldier would? How does that effect the department concerned?

Mr. Bradley: So far as we know the preference given to veterans has not done any serious harm to the service.

Mr. Balcom: Is special consideration given to a soldier who has enlisted in the Canadian army but who, because of his officer holding him in some special job, has been prevented from going overseas?

Mr. Bradley: There is no provision for them now.

Mr. Balcom: Would the minister take that into consideration?

Mr. Churchill: I would ask the minister to make a statement concerning competitive examinations held to fill positions that become vacant during the year. Would he indicate the number of examinations set, the cost of setting them, the number of candidates, and the cost of conducting examinations.

Mr. Bradley: We have not those figures at hand now. To secure them would involve some research, but if the hon. member wishes to have them I can get them for him.

Mr. Churchill: The minister said there was a wastage of about 29,000 per year. That would seem to be important, and perhaps the process of filling positions that become vacant would be costly. The information I have asked would be helpful.

Mr. Bradley: I think I can get it.

Mr. Adamson: What is the cost of recruitment for the civil service? The breakdown refers chiefly to the salaries of personnel including clerks, investigators, organizers and the like. There is one small amount of $35,000 for advertising, as it is set out at page 153. What was the cost to the civil service of the recruitment of the 29,000 people who came in? My understanding is that the commission is responsible for upgrading and for other duties. In this instance I am referring to the job of recruitment. What was the cost of recruiting those 29,000?

Mr. Bradley: You mean the bulk figure?

Mr. Adamson: Yes; that would be all right.

Mr. Bradley: The total cost was about $2 million, and I am advised that the estimated cost of recruitment was $1,125,000.

Mr. Adamson: That is about $30 a head?

Mr. Bradley: I do not know; the hon. member is better at figures than I am.

Mr. Adamson: It is about $40 a head.

Mr. Howe: Very cheap.

Mr. Pouliot: In previous years there was a list at the end of the civil service commission report indicating those who served on the civil service commission board. I was most interested in that list because it showed the gentlemen who conducted the examinations. I wonder why the publication of that list has been discontinued, and when it was discontinued.

Mr. Bradley: The list is available to the hon. member if he wants it. It was deleted from the report purely as a matter of cutting costs.

Mr. Pouliot: I would like to know when and why it was deleted from the report.

Mr. Bradley: It was hardly deleted; it was not inserted, which is somewhat different. The object was purely to cut costs. I can get the list for the hon. member if he desires to have it.

Mr. Pouliot: I would like everybody to benefit from it.

Mr. Macdonnell (Greenwood): How many appointments to the public service—do not let us call it the civil service—are made without the tests which have been described to us having to be passed? For example, do those who come in on a temporary basis have to pass the tests that have been outlined to us tonight? Is the method of appointment exactly the same?

Mr. Bradley: Yes, if the positions are under the jurisdiction of the commission.

Mr. Macdonnell (Greenwood): Do they take the same examinations and are they chosen in exactly the same way as the members of the permanent staff?

Mr. Bradley: Yes.

Mr. Macdonnell (Greenwood): Then we will leave them aside for the moment. Are there not in fact a good many appointments of a minor nature which do not come to the civil service at all?

Mr. Bradley: I believe there are about 30,000 positions which do not.

Mr. Macdonnell (Greenwood): When we are given a list of civil servants we do not get that 30,000. We have more employees than we know of. That is not my point. I want to know how the division is made. Can the minister tell us in a general way who those 30,000 are and how they are appointed? Are they appointed by friends of the party?

Mr. Bradley: The statutory law of the country determines which positions come under the civil service commission.

Mr. Adamson: Does that mean that there are—

Mr. Fournier (Hull): Thirty thousand civil servants not appointed by the commission? No, sir; it is not true.

Mr. Adamson: The question was answered as though there were.

Mr. Fournier (Hull): If you are speaking of prevailing rates and labouring people, they are not appointed by the commission.

Item agreed to.

Public Archives—

A—Department—

321. General administration and technical services, $262,306.

Mr. Herridge: The two votes having to do with this branch show a decrease of $1,279, and I am rather sorry to see that tendency although I am all in favour of economy. I think at the present time the archives is one branch of the government service which actually requires more funds to do its necessary work. I rise as one who is interested in the archives to express my appreciation—I am sure I am joined in this by a lot of other people—of the excellent work being done by the dominion archivist and his staff. We are fortunate in our present dominion archivist because of his wide knowledge and ability, his academic training and his great interest in the archives of Canada. I am sure that everyone will agree that anyone wishing to secure anything from the archives is met with the most courteous and efficient service on the part of the archivist and his staff.

I think the present report on the public archives is excellent. It is drafted in easily understandable and readable form. Besides the excellent pictures of Her Majesty and the Duke of Edinburgh there is an excellent picture of the minister and also one of the undersecretary of state. I have had several people comment on the excellent reports and the clear picture given of the work being done in the dominion archives branch. They show that the work is well organized and that they are doing a lot of work that has not been done up to date.

Item agreed to.

Public Printing and Stationery—

323. Departmental administration, including in 1952-53 procurement and accounting services to meet stationery and printing requirements for other departments, $353,732.

Mr. Knowles: It is a little late to open up a discussion on matters relating to the printing bureau. It is going to take us a while to digest the information we have obtained this evening, so we will cut it short. Initially may I ask the Secretary of State if he can tell us when it is expected the printing bureau will move to its new quarters, and what progress is being made in connection with that building.

Mr. Bradley: Mr. Chairman, I am afraid that is a subject upon which I am not a very capable prognosticator. It depends on when we can get the steel and when we can proceed with the work. Possibly if my hon. friend were to apply to the Minister of Public Works for information he would get more than I can give him.

Mr. Knowles: I wonder if the Secretary of State can tell us what is the current rate of wages at the printing bureau.

Mr. Bradley: It is $1.75 an hour.

Mr. Fulton: What is the reason for the large increase in this item? There is an increase of $281,000. The item is for departmental administration, including in 1952-53 procurement and accounting services to meet stationery and printing requirements for other departments. The amount is $353,732 compared with $72,604 last year, an increase of $281,128. It is four times the amount of the item last year. Why is that increase so pronounced?

Mr. Bradley: The explanation is that in years past a good many of the administrative staff and employees in the printing bureau were paid by a sort of surcharge placed upon the price of work done for the departments through the advance account. This year we are bringing these items into the estimates so it is all before the house.

Mr. Adamson: Does this mean that there is a change in procedure with respect to parliamentary printing? I remember being on the printing committee some years ago, and there was considerable criticism raised about the printing of committee reports. The reports would be printed in English and then months later a contract would be let and the reports would then be printed in French. They were only available months after the session had ended. There was considerable criticism of that practice in the committee because by that time the French version of those committee reports would be virtually valueless. They would be out of date. Has that practice been stopped, and does this increase in the estimate take care of that?

Mr. Bradley: This item brings about no change in the procedure. The reports come out in English first because for the most part the proceedings are in English and they have to be translated into French. That is what causes whatever delay there may be in the production of the French copies of the reports. This item makes no difference in procedure.

Mr. Adamson: The committee reports in French are contracted to printers outside the printing bureau, are they?

Mr. Bradley: Some are and some are not.

Mr. Adamson: Can the minister give me any idea of the percentage of contracts let outside the printing bureau?

Mr. Bradley: About 65 per cent of the whole went to outside firms last year.

Mr. Adamson: About 65 per cent?

Mr. Bradley: Of the total.

Mr. Adamson: Sixty-five per cent of the total printing went to outside firms? Can the minister give me an idea of the cost of that in round figures?

Mr. Bradley: About $4¼ million. That does not include paper. We usually provide the paper.

Mr. Adamson: Printing to the value of $4¼ million went to outside printers?

Mr. Bradley: Yes.

Mr. Adamson: The printing bureau provided the paper and the $4¼ million went to outside firms simply for printing. Is that so?

Mr. Bradley: That is correct.

Item stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): On Monday we will proceed with the following items: Bill No. 346, respecting the Canadian National Railways system; Bill No. 347, to authorize the government of Canada to enter into agreements with the provincial governments; Bill No. 305, respecting immigration; Bill No. 246, to amend the Canada Grain Act. Then we will take up the legislation appearing on the order paper in the name of the Minister of Veterans Affairs.

Mr. Green: It will be in that order?

Mr. Fournier (Hull): Yes.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

[The following items were passed in committee of supply]:

DEPARTMENT OF EXTERNAL AFFAIRS

A—Department and missions abroad—

85. Departmental administration, $2,613,057.

86. Passport office administration, $222,847.

87. Representation abroad—operational—including payment of salaries of high commissioners, ambassadors, ministers plenipotentiary, consuls, secretaries and staff appointed as directed by the governor general in council, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments, $4,938,357.

88. Representation abroad—construction, acquisition or improvement of buildings, works, land, new equipment and furnishings, $312,930.

89. Representation abroad—to authorize the construction, acquisition, improvement and furnishing of properties for Canadian government offices and residences abroad, payment therefor to be made in foreign currencies that are not convertible into Canadian or United States dollars and that may be used only for governmental or other limited purposes and that have been acquired in respect of reparations or pursuant to the settlement of claims arising out of military operations or war expenditures, or in exchange for other such currencies so acquired, $1,654,500.

90. To provide for official hospitality, $20,000.

91. To provide for relief of distressed Canadian citizens abroad and for the reimbursement of the United Kingdom for relief expenditures incurred by its diplomatic and consular posts on Canadian account (part recoverable), $15,000.

92. Canadian representation at international conferences, $225,000.

93. Canadian section of Canada-United States permanent joint board on defence including $7,500 for the chairman, notwithstanding anything contained in the Civil Service Act, $10,000.

94. Grant to the United Nations Association in Canada, $10,000.

95. Grant to the international committee of the Red Cross, $25,000.

96. To provide for the construction and execution in Canada of seven doors to be donated by Canada to the United Nations permanent headquarters in New York, $50,000.

B—General—

The Canadian government's assessment for membership in the following international or commonwealth organizations—

97. United Nations organization, $1,463,200.

Specialized agencies—

98. Food and agriculture organization of the United Nations, $246,800.

99. International Labour Organization, $248,900.

100. United Nations Educational, Scientific and cultural Organization, $331,800.

101. International Civil Aviation Organization, $128,320.

102. World Health Organization, $270,800.

103. Commonwealth economic committee, $16,830.

104. Commonwealth shipping committee, $510.

105. Inter-American committee on social security, $4,600.

106. The Canadian government's contribution to the administration of the general agreement on tariffs and trade, $13,900.

107. Contribution to the North Atlantic Treaty Organization to meet the Canadian government's share of the cost of civil administration, $178,000.

108. United Nations expanded program for technical assistance to under-developed countries, $850,000.

International Civil Aviation Organization—

109. To provide the international civil aviation organization with office accommodation at less than commercial rates, $76,046.

International joint commission—

110. To provide for preliminary studies and surveys of the mid-western watershed, $10,000.

111. To provide for Canada's share of an investigation on the matter of air pollution in the vicinity of Detroit and Windsor, $52,784.

112. To provide for Canada's share of the expenses of the Niagara Falls reference, $10,000.

Terminable services—

113. Colombo program for technical co-operation in south and southeast Asia, $400,000.

114. To provide for and authorize grants or loans to governments of countries in south and southeast Asia to assist in the economic development of such countries, and special administrative expenses in connection therewith, $25,000,000.

115. Contribution to the provisional inter-governmental committee for the movement of migrants from Europe, $154,600.

DEPARTMENT OF SECRETARY OF STATE

Office of the chief electoral officer—

56. Salaries and expenses of office, $60,963.

Civil service commission—

78. Salaries and contingencies of the commission, $1,912,064.

Public archives—

A—Department—

321. General administration and technical services, $262,306.

B—Bibliographic centre—

322. Bibliographic centre (national library), $48,109.

Public printing and stationery—

323. Departmental administration, including in 1952-53 procurement and accounting services to meet stationery and printing requirements for other departments, $353,732.

324. Stationery branch—operation of stationery stores, $348,943.

325. Printing and binding the annual statutes, $40,000.

326. *Canada Gazette*, $130,000.

327. Plant equipment and replacements, $197,244.

328. Distribution of official documents, $165,574.

329. Printing and binding official publications for sale and distribution to departments and the public, $430,000.

433. Departmental administration, $213,883.

434. Companies branch, $87,658.

435. Trade marks branch, including a contribution of $2,400 to the international office for the protection of industrial property, $93,704.

436. Bureau for translations, $898,025.

437. Canada Temperance Act, $1,000.

Patent and copyright office—

438. Administration division, $74,469.

439. Patent division (including the former patent record division), $840,391.

440. Copyright and industrial designs division, including a contribution of $2,100 to the union office for the protection of literary and artistic works, $20,279.

HOUSE OF COMMONS

Monday, June 23, 1952

The house met at eleven o'clock.

CANADIAN NATIONAL RAILWAYS

PRIVILEGE—REFERENCE TO NEWSPAPER ARTICLE BY MEMBER FOR YALE

Mr. Jean François Pouliot (Temiscouata): Mr. Speaker, I greatly regret to have to rise on a question of privilege which concerns an article published in the Armstrong *Advertiser* on May 29, 1952, and written by the hon. member for Yale (Mr. Jones). It reads as follows:

Rail extension queried

Mr. Pouliot, Liberal member for Temiscouata, was the only one injecting a sour note when the bill to extend the Canadian National Railway at a cost of $10 million to Kitimat was under discussion. He claimed that British Columbia already had more mileage of railway per one thousand inhabitants than any other province. (Statistics proved such not the case).

Here is the record, Mr. Speaker; I am reading from page 118 of the standing committee on railways, canals and telegraph lines:

By Mr. Pouliot:

Q. Mr. Fairweather, you are welcome. Will you please tell me what is the mileage of the railways in British Columbia compared to the province of Quebec by thousand people?

A. Well, I am sorry, sir, I cannot give that offhand; I would be pleased to figure it out.

Q. Well, I will tell you, it is three to one—three people out of one thousand in British Columbia have a line of railway—I mean both railways, compared to one in the province of Quebec.

That is what I said. I will tell the hon. gentleman of whom I am exceedingly fond to be more careful in the future.

Mr. Jones: Mr. Speaker, I am sorry if the hon. member misread my statement. I took it from the *Hansard*. If it is checked, I think you will find that it is correct.

Mr. Pouliot: I would ask the hon. gentleman not to take anything for granted. Let him look at the record again.

SUPPLEMENTARY ESTIMATES, 1952-53

A message from His Excellency the Governor General transmitting supplementary estimates for the financial year ending March 31, 1953, was presented by Hon. Douglas Abbott (Minister of Finance), read by Mr. Speaker to the house, and referred to the committee of supply.

ELDORADO MINING LIMITED

TABLING OF ANNUAL REPORT FOR YEAR ENDED DECEMBER 31, 1951

Right Hon. C. D. Howe (Minister of Trade and Commerce): Mr. Speaker, I desire to lay on the table the annual report of Eldorado Mining and Refining (1944) Limited for the year ended December 31, 1951, in English and in French.

The annual report of the subsidiary company, Northern Transportation Company Limited, will be available from the printers later this week and will be tabled as soon as ready.

PRIVATE BILLS

SUSPENSION OF STANDING ORDER 105

Mr. H. W. Winkler (Lisgar) moved:

That standing order 105 respecting the posting of private bills be suspended for the remainder of the session.

Motion agreed to.

FIRST READINGS—SENATE BILLS

Bill No. 364, to incorporate the Canadian Shipowners Mutual Assurance Association.—Mr. Macnaughton.

Bill No. 365, to incorporate Ogdensburg bridge authority.—Mr. Fulford.

Bill No. 367, for the relief of Meryl Elman Kluger Schreiber.—Mr. Winkler.

Bill No. 368, for the relief of Janusz Juljan Borzecki.—Mr. Winkler.

Bill No. 369, for the relief of Perley John Walden.—Mr. Winkler.

Bill No. 370, for the relief of Louis Jules Fabry.—Mr. Winkler.

Bill No. 371, for the relief of Kathleen Anne Bentley Hainsworth.—Mr. Winkler.

Bill No. 372, for the relief of Ethel McCready Thomas.—Mr. Winkler.

Bill No. 373, for the relief of Lois Edith Laffoley Kelly.—Mr Winkler.

Bill No. 374, for the relief of Evelyn Helen Cowell Varrin.—Mr. Winkler.

Bill No. 375, for the relief of Marion Helen Hawes Gordon.—Mr. Winkler.

Bill No. 376, for the relief of Winnifred Isobel Bassett Yuill.—Mr. Winkler.

Bill No. 377, for the relief of Eileen May Walker Cole.—Mr. Winkler.

Bill No. 378, for the relief of Frank Ashworth.—Mr. Winkler.

Bill No. 379, for the relief of Margaret Galbraith Hardie McCall.—Mr. Winkler.

Bill No. 380, for the relief of Goldie Natovitch Molson.—Mr. Winkler.

Bill No. 381, for the relief of Norma Veronica Besner Roast.—Mr. Winkler.

Bill No. 382, for the relief of Catherine Anna Regan Herdt.—Mr. Winkler.

Bill No. 383, for the relief of Errol Alexander Edgley.—Mr. Winkler.

Bill No. 384, for the relief of Marie Marguerite Eugenie Lucie Prevost Lalonde.—Mr. Winkler.

Bill No. 385, for the relief of Myrtle Meloche Reath.—Mr. Winkler.

Bill No. 386, for the relief of Eileen Margaret Smith Bates.—Mr. Winkler.

Bill No. 387, for the relief of Selim Jean Malakie, otherwise known as Solomon Malacket.—Mr. Winkler.

Bill No. 388, for the relief of Ruby Lydia Donnelly Champion.—Mr. Winkler.

Bill No. 389, for the relief of Edna Edith Lily Caron Gourdie.—Mr. Winkler.

HARBOUR COMMISSIONS

BELLEVILLE—INCORPORATION

Hon. Lionel Chevrier (Minister of Transport) moved the first reading of Bill No. 366 (from the Senate), to incorporate the Belleville harbour commissioners.

Motion agreed to and bill read the first time.

QUESTIONS

JEAN-PAUL CAILLE, ENRG.

Mr. Diefenbaker:

1. Has Jean-Paul Caille, Enrg., of Montreal, received any payments from the Department of Public Printing and Stationery in each of the years 1950, 1951 and 1952?

2. If so, how much has been paid in each of these years, and since the 31st day of March, 1952, and to date?

3. What is the nature of the business operated, and what is the address?

4. Were contracts awarded by tender during the said period?

5. If so, on what dates, and for what amounts were bids made in pursuance of advertised tenders?

Mr. Bradley: In so far as respects the Department of Public Printing and Stationery:

1. Yes.

2. 1950-51, $228,050.42; 1951-52, $219,620.00; 1952-53, (to date) $47,514.91;

3. Manufacturer's agency, 10372 Grande Allee, Montreal, Que., and Ste. Adele en haut, Que.

4. Yes.

5. Tenders are not generally advertised. The department maintains a catalogue of the various stationery items carried in stock, showing the price at which they are bought. These prices are maintained up to date through the process of competition, and orders are placed with various suppliers at the catalogue price, which is shown on orders. Tenders for articles not listed in the catalogue are circulated amongst known suppliers of the required articles. The above firm was successful in the following competitions:

March 14-50, $388.80; April 28-50, $3,330.00; May 18-50, $1,080.00; May 18-50, $1,230.00; May 18-50, $417.50; May 30-50, $23.95; June 7-50, $1,337.40; June 7-50, $1,300.00; June 7-50, $596.00; June 7-50, $472.00; July 3-50, $460.00; August 29-50, $2,505.00; August 29-51, $4,507.90; February 12-52, $2,368.00; February 12-52, $3,582.00.

MAIL DELIVERY IN BATHURST, N.B.

Mr. Robichaud:

1. Has a survey been recently made in the town of Bathurst, New Brunswick, with a view to installing a house to house mail delivery in the said town?

2. If so, has a report been made as a result of this survey?

3. Are arrangements being made to instal this house to house mail delivery in the town of Bathurst, New Brunswick?

Mr. Langlois (Gaspe):

1. Yes.

2. Yes.

3. No. Not at present as requirements have not been met.

QUESTION PASSED AS ORDER FOR RETURN

DEFENCE PRODUCTION—OFFICERS ON LOAN FROM BUSINESS AND INDUSTRY

Mr. Green:

1. Who are the officers on loan from business and industry to the Department of Defence Production, holding various positions as listed on page 156 of the estimates for the fiscal year ending March 31, 1953?

2. From what firms are they respectively on loan?

3. Are living allowances payable to any of these officers?

4. If so, to which officers, and in what amounts?

BUSINESS OF THE HOUSE

WEDNESDAY AND SATURDAY SITTINGS ON AND AFTER JUNE 25

Hon. Alphonse Fournier (for the Prime Minister) moved:

That on Wednesday, June 25, 1952, and every Wednesday thereafter, and on Saturday, June 28, 1952, and every Saturday thereafter, until the end of the present session, the sittings of the house shall in every respect be under the same rules as are now provided for other days under the special order passed Friday, June 13, 1952; and also that the order of business and procedure on Saturdays shall be the same as on Thursdays.

Motion agreed to.

FISHERIES

EXTENSION OF LOBSTER FISHING SEASON

On the orders of the day:

Mr. W. F. Carroll (Inverness-Richmond): I should like to direct a question to the Minister of Fisheries. Is it the intention of the department to extend the lobster fishing season in that part of Nova Scotia known as Inverness-Richmond, for which an application has been made?

Hon. R. W. Mayhew (Minister of Fisheries): It is the intention of the department to extend the lobster fishing season in area 7, the area referred to by the hon. member, to Saturday, July 5, 12 o'clock midnight.

[*Later:*]

Mr. McLure: I should like to ask a question of the Minister of Fisheries. Has any decision been made with regard to the extension of time in connection with lobster fisheries in Prince Edward Island?

Mr. Mayhew: I gave an answer only a few moments ago. The intention is to extend the season to midnight on July 5—that is, five days.

ST. LAWRENCE WATERWAY

INQUIRY AS TO DISCUSSIONS WITH UNITED KINGDOM

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport? Is the minister in a position to make a statement to the house on the week-end news reports concerning discussions with the United Kingdom respecting the St. Lawrence seaway development? Are these discussions at a private or at a government level?

Hon. Lionel Chevrier (Minister of Transport): I did see the reports in a number of papers to the effect that contractors in the United Kingdom were most anxious to help in the development of the St. Lawrence seaway project, but personally I have no knowledge of any official offer being made. I think that what the newspaper report indicated was simply that in case it were possible for the province of Ontario and the federal government to proceed, the one with the power development and the other with the navigation facilities, there was being offered to the Canadian government equipment which might be used for both power and navigational facilities. Beyond that I am not able to comment. I think it is a newspaper statement more than an official offer; but if one were made it would be carefully considered.

CIVIL SERVICE SUPERANNUATION ACT

INQUIRY AS TO RETROACTIVE PROVISION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): May I direct a question to the Minister of Finance? Would it be possible for the minister, before this session ends, to make a statement as to whether or not the amendments to the Civil Service Superannuation Act, which have been put off until the next session, will include a provision making the terms of those amendments retroactive to whatever date would have been the effective date had the bill been brought in at this session, as was indicated in the speech from the throne?

Hon. Douglas Abbott (Minister of Finance): It would not be possible to do that, Mr. Speaker.

[*Later:*]

Mr. Abbott: Perhaps I should supplement the answer I gave the hon. member for Winnipeg North Centre. It is possible that some of the changed provisions of the Civil Service Superannuation Act could be made retroactive, but I think it is unlikely that all of them could be.

GERM WARFARE

STATEMENTS BY DR. ENDICOTT—INQUIRY AS TO LEGAL ACTION

On the orders of the day:

Mr. J. G. Diefenbaker (Lake Centre): I should like to ask a question of the Secretary of State for External Affairs. Has his department received any legal opinion from the Department of Justice, which apparently was asked for it some five weeks ago, relative to whether or not proceedings under the Criminal Code can be taken or will be taken respecting the statements made by James Endicott as to germ warfare.

Hon. L. B. Pearson (Secretary of State for External Affairs): This question was raised last Friday, and the Prime Minister (Mr. St. Laurent) said at that time that it was still under advisement.

Mr. Diefenbaker: And it has been for six weeks. One would think they could get an answer in that time.

TAX AGREEMENTS

COMPENSATION TO PROVINCES IN LIEU OF CERTAIN TAXES

Hon. Douglas Abbott (Minister of Finance) moved the second reading of Bill No. 347, to authorize the government of Canada to enter into agreements with the governments of the

provinces pursuant to which, in return for compensation, the provinces agree to refrain from levying certain taxes for a limited period.

He said: Mr. Speaker, as I explained at the resolution stage, the purpose of this bill is to authorize our entering into agreements with the provincial governments to make certain payments to them in return for the rental from them of certain tax fields for a further five-year period. I have also made it clear that the new agreements will be in substantially the same form as those which have been in effect with eight provincial governments during the past five fiscal years.

I believe the house would think it appropriate if I should now make a statement recalling some of the background and explaining the essential features of the new agreements.

It will be recalled that following protracted negotiations in 1945 and 1946, tax rental agreements were entered into with seven of the then existing provinces, that is, with all provinces except Ontario and Quebec, and later when Newfoundland entered confederation in 1949, a similar agreement was entered into with that province. Under these agreements, the details of which were the outcome of lengthy discussions, the provinces undertook not to levy during the five calendar years 1947 to 1951, or allow their municipalities to levy, personal income taxes, corporation income taxes, other taxes on corporations, or succession duties. In return for this undertaking, the federal government agreed to make rental payments during the five corresponding fiscal years—that is to say, the five fiscal years ending March 31, 1952—determined on the basis of certain formulae arrived at in joint discussions with the provincial governments. These rental payments were to be such as to guarantee to the province a fixed minimum level of payments, but this guaranteed minimum was to be adjusted upward to take account of national economic growth and increased provincial population. In practice, the actual payments made to the various provinces during the five years of the agreement exceeded by very substantial amounts the guaranteed minima.

Another feature of the old agreement involved the levy by each agreeing province of a tax of 5 per cent on corporation income earned within its jurisdiction. The purpose of this provision was to allow any non-agreeing province to tax its corporations up to this level without subjecting them to a tax burden higher than that being paid by corporations in the agreeing provinces.

[Mr. Abbott.]

In keeping with the same purpose, the federal government has so shaped its own succession duty program as to allow a credit up to one-half of the federal duties for duties paid to a non-agreeing province, and there has also been a standing offer to non-agreeing provinces to allow a credit against federal personal income tax up to 5 per cent for a personal income tax imposed by any non-agreeing province. Neither of the non-agreeing provinces has chosen to take advantage of this latter credit.

Before proceeding to discuss the provisions of the new agreement, I would like to express my own general satisfaction with the conditions that have prevailed in federal-provincial tax relations during the post-war period. Those provinces which entered into agreements have, I believe, been well compensated for renting certain of their tax fields to us and have been assured against the possibility of drastic declines in the yield of these important fields of direct taxation. This has enabled them to plan their own programs with greater assurance and has undoubtedly improved their credit in the financial markets. At the same time, a level of efficiency in over-all tax administration has been achieved hitherto unknown in this country. Furthermore, the non-agreeing provinces have shown a restraint in employing their taxing powers which has contributed in no small measure to achieving a national system of taxation which is almost free of overlapping administration and conflicting jurisdiction.

As already indicated, the old agreements with eight of the ten provinces expired on March 31 last. In anticipation of this event, the federal government called a conference in Ottawa in December, 1950, of all provincial governments to consider the terms of new agreements for the ensuing five-year period.

In return for the same provincial undertakings as in the old agreements, the federal government offered to provide guaranteed minimum payments at a level considerably higher than under the old agreements. I shall come to the details of this offer in a moment or two. These proposals were considered at the conference in discussions which were marked by the utmost cordiality but no final decisions were taken and the provincial representatives undertook to give the proposals further consideration.

During the course of 1951, I received certain counter-proposals from the provinces, all of which were given the most serious consideration and many of which we were able to accept. By means of discussion with representatives from individual provinces following which any changes were made known to all

the provinces, we have now succeeded in arriving at a basis of agreement which represents only a modification in detail of the proposals made to the 1950 conference. It is to implement this basis of agreement for which authority is requested in this bill. Up to the present time the indication is that at least the same eight provinces with which we have had agreements for the past five years will be entering into new agreements for the next five years.

With this general background, I shall now turn to a more detailed discussion of the main provisions of the proposed new agreements.

I shall deal first with the provincial undertakings. The provincial governments and their municipalities will, as in the old agreements, refrain from imposing personal income tax, the corporation income tax, the so-called corporation taxes—i.e. taxes on places of business, paid-up capital, etc.—and succession duties.

As in the case under the old agreements, any province has the option of retaining its succession duties if it so chooses, in which case, of course, there is provision for an offsetting reduction in its compensation. Actually, none of the provinces with which we have concluded agreements has accepted this alternative.

A change of some substance which was announced some time ago is that the agreeing province will no longer be required to levy a 5 per cent corporation tax. As explained in my budget speech, we are accomplishing the same general purpose by adding the 5 per cent tax—or practically all of it—to the federal rate and allowing a credit up to 5 per cent on corporation income earned within a non-agreeing province.

Under the old agreement, the agreeing provinces retained the full right to levy charges on their natural resources and to impose income taxes on mining income or on logging income. The federal government also undertook to allow a deduction for such provincial taxes from income subject to its corporation tax. These arrangements will be continued under the new agreement.

Provisions relating to the obligation of the federal government to pay compensation to the provinces are much more complicated and I must ask the house to bear with me in this rather involved exposition.

The guaranteed minimum payments under the new agreements are, with the exception of one additional formula, basically those of the expiring agreements adjusted upwards to a higher level. The old guaranteed minimum payments were established, by election of each province, on the basis of two general alternative formulae. The relative advantages of these I discussed in detail when I introduced the 1947 legislation and I will not review them at this time.

Briefly, it might be said that one of these, through emphasis on a per capita payment, gave more prominence to the factor of fiscal need. This formula was as follows:

1. $15 per capita on the 1942 population of the province, and

2. the amount of the statutory subsidies payable to the province in 1947.

This option was most favourable for Nova Scotia, Saskatchewan and Newfoundland.

The second formula was designed to give more emphasis to the tax potential of a province. In it there were three elements, namely:

1. 50 per cent of the province's revenue from personal income taxes, corporation income taxes and corporation taxes, in the year 1940 as established for the purposes of the wartime tax agreements;

2. $12.75 per capita on the 1942 population of the province; and

3. The amount of the statutory subsidies payable in 1947.

This formula was more advantageous for all other provinces with the exception of Prince Edward Island for which a special guaranteed minimum payment of $2,100,000 was fixed.

In the proposals made at the 1950 conference, the federal government offered new guaranteed minimum payments on the basis of these formulae adjusted upwards by the ratio of change in provincial population and per capita gross national product between the year 1942 and the year 1948. In general, this "upping" of the payments to the 1948 basis had the effect of increasing the minimum payments by about 50 per cent. However, at the same time to meet the position of certain provinces which had argued that greater emphasis should be given to the element of tax potential, a new alternative formula was suggested.

The components of this new option were as follows:

1. The estimated yield of a personal income tax at 5 per cent of 1948 federal rates applied to 1948 incomes in the province;

2. The yield of a tax of 8½ per cent on corporation profits earned in the province in 1948. This rebate of 8½ per cent, I might explain, is taken as a fair measure of the corporation tax potential and takes account of the gross or specific taxes traditionally levied by provinces on corporations as well as taxes on corporate profits;

3. The revenue received by the province from succession duties in a recent 3-year period; and,

4. Statutory subsidies payable to the province in 1948. In actual application, this formula proved to be of benefit only to the province of Ontario.

As a result of provincial representations subsequent to the conference, minor modifications in the calculation of the adjustment between 1942 and 1948 have been accepted, but essentially the new guaranteed minima are those offered by the federal government in December, 1950. To conclude this aspect of the matter, therefore, I will, with the permission of the house, place on *Hansard* a table showing the guaranteed minimum payments under the old agreements and the guaranteed minimum payments that will form the basis of agreements that will be authorized under the bill now before us.

Mr. Speaker: Has the minister the permission of the house?

Some hon. Members: Agreed.

Mr. Abbott: The table follows:

Guaranteed Minimum Payments

	Under old agreements	Under proposed new agreements
Newfoundland	$ 6,208,765	$ 9,174,624
Prince Edward Island	2,100,000	2,977,015
Nova Scotia	10,870,140	15,348,220
New Brunswick	8,773,420	12,576,093
Quebec	56,382,127	85,080,466
Ontario	67,158,027	101,801,370
Manitoba	13,540,038	18,634,954
Saskatchewan	15,291,490	20,026,085
Alberta	14,227,882	20,985,710
British Columbia	18,120,124	29,647,487
Total	$212,672,013	$316,252,024

Let me emphasize that the amounts I have included in the table are only the guaranteed minimum payments below which no actual payment may fall regardless of prevailing economic conditions or changes in population. The actual amounts payable in a given year —which, incidentally, we call the adjusted annual payments—are the result of calculations by which these guaranteed minimum payments are increased to give effect to national growth, as measured by the gross national product per capita, and to provincial growth, as measured by the provincial population.

Under the old agreements, the adjustment for these factors has been calculated as the average of ratios for the three years preceding the year of payment in relation to the base year 1942. This three-year averaging had the effect of bringing greater stability into the adjusted payments by spreading out the effect of a sudden change in economic conditions. It has been represented to us, however, that in a period of very rapid growth such as we have been experiencing, the three-year averaging process may slow down unduly the increase in provincial revenue at a time when fairly rapid increase in those revenues may be needed because of rapid growth of provincial population. In order to meet this argument, we proposed in the December 1950 conference to provide in the new agreements for an averaging calculation based upon a two-year period rather than upon a three-year period. Subsequent representations have indicated that even this adjustment was not believed by some governments to be flexible enough, and early this year, in a letter to all the provincial governments, I proposed that a province should have the option of choosing either an adjustment based on a two-year average or one based simply on the data relating to the one year prior to the year of payment. In a period of expansion, the one year calculation obviously will result in a considerably higher immediate payment to provinces and perhaps it is not surprising, therefore, that all provinces so far have elected to accept this option.

Under the new agreements, therefore, the adjusted payments which we will make to any agreeing province, in each of the five fiscal years beginning with this fiscal year, will be based on the ratio of per capita gross national product and of provincial population in the year preceding the year of payment compared with the new base year, namely, 1948. To illustrate the effect of this new adjustment process, I would like, with the consent of the house, to place on *Hansard* a table comparing the guaranteed minimum payments that will be authorized for each province under the bill with the amount of the adjusted payment, as presently estimated, that will be payable in the first fiscal year of the new agreement, namely, 1952-53.

Perhaps I should add that the adjusted payments shown in this table include the statutory subsidies payable to the various provinces.

Mr. Speaker: Is that agreeable to the house?

Some hon. Members: Agreed.

Mr. Abbott: The table follows:

Payments Under the 1952 Agreement

Province	Guaranteed Minimum	Adjusted Payment 1952-53
Newfoundland	$ 9,174,624	$ 12,291,593
Prince Edward Island	2,977,015	3,915,671
Nova Scotia	15,348,220	20,150,413
New Brunswick	12,576,093	16,624,628
Quebec	85,080,466	115,003,725
Ontario	101,801,370	137,173,274
Manitoba	18,634,954	24,760,084
Saskatchewan	20,026,085	25,570,643
Alberta	20,985,710	29,368,527
British Columbia	29,647,487	41,376,383
Total	$316,252,024	$426,234,941

Another point of some significance to which I should call attention is that under the new agreements the adjusted payments to be made in respect of any one year will be paid in quarterly instalments within the fiscal year —June 30, September 30, December 31 and March 31. Under the old agreements the quarterly payments began on September 30 of the calendar year and the last one was made on June 30 of the following year. The house will note that, as a result of this change, the agreeing provinces will receive during the fiscal year 1952-53 the final or June 30 quarterly instalment in respect of the last year of the old agreement, and, in addition, the four quarterly instalments of the first fiscal year of the new agreements. This change was made possible by greater promptness in securing our estimates of gross national product and provincial population and is one which naturally is valued highly by the agreeing provinces.

Another change of minor significance is that in the new agreements the gross national product concept which we will use in calculating the adjusted payments will be that of gross national product at factor cost rather than gross national product based on market prices. This new concept has the advantage of eliminating indirect taxes levied in Canada, an element which reflects primarily the relative intensity of use of certain tax sources at any one point of time rather than the level of economic activity.

A feature of the 1947 legislation that will be continued in the future is the payment to the provinces of one-half of our corporate income tax collections, less certain deductions, from companies engaged in the generation or distribution of electric energy, gas or steam, in respect of their income derived from such generation or distribution. Under the authority of the existing act, payments have been made to all provinces whether or not they had entered into a tax rental agreement. In respect of incomes of the three years, 1947 to 1949 inclusive, these payments totalled approximately $9,600,000. These are the only years for which it has as yet been possible to make payments. In view of the more precise determination of income derived from this class of public utility companies from the specified type of activities provided for under this year's amendments to the Income Tax Act, the payments to be made to provincial governments in respect of the next five years will, of course, vary somewhat from what those payments would have been had the old methods of calculation been followed.

Mr. Adamson: May I ask the minister one question about the new method of estimating gross national product at factor cost. How much higher will that be?

Mr. Abbott: I cannot answer that now, but I shall get the information and have it available when we are in committee.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, when the motion was before this house that it was expedient to introduce this measure I placed on record my opinion in regard to the unsatisfactory situation which is created by the extension of these agreements with no assurance that we will at some point tackle the fundamental problem which makes it necessary to have agreements of this kind. The Minister of Finance (Mr. Abbott) has pointed out that the new agreements which will be implemented through the provisions of this legislation will be in substantially the same form as earlier agreements. This will simply mean that the agreements entered into in 1942 as a temporary expedient in time of war are to be carried forward still further into the years of peace with no assurance that the unsatisfactory relationship so clearly set forth by the Rowell-Sirois commission and by other committees which have examined this subject will be changed in any way. The Minister of Finance (Mr. Abbott) has said that he is gratified with the measure of agreement there has been in dominion-provincial relations in the taxation fields. He has pointed out that the non-concurring provinces have shown what he described as restraint in avoiding duplication of taxation and administration. He also referred to the fact that there had been further conferences between representatives of the dominion government and the provinces with regard to this subject but that no final decisions have been reached. Those words could be used without change over and over again—"no final decisions have been reached".

Mr. Abbott: I was referring to the conference of December, 1950, and only to that.

Mr. Drew: I realize that. I repeat that those words could be used over and over again with respect to the meetings that have taken place in connection with this general subject of taxation—"no final decisions have been reached." The important decisions that need to be reached are decisions with regard to a system of taxation which will restore to the provinces that measure of independence in taxation which is an essential requirement of the effective functioning of the federal system. So far as this measure is concerned, it is the only way by which agreements can be carried forward which must be carried forward in some form by many of the provinces until some more satisfactory method of allocation of taxes is found.

When this has been pointed out on earlier occasions, an attempt has been made, without any justification in fact or from the record, to say that certain provinces have sought to retain special advantages and that it is because of the selfish attitude on the part of certain provinces that over-all arrangements have not been made. At no point in these discussions has there been a recognition on the part of the federal government that the objections that have been made, not only by the provinces which have not signed agreements but also by the provinces which have and which have indicated they had no other choice from the financial point of view, were made because there is a question of principle involved which is of very great concern not only to those interested in the provincial field of legislation and administration but also to all of us who believe in the federal system and in the continued strength of that system.

The decisions that have been sought by those provinces that have not agreed have not so much been decisions with respect to the amount of money involved as they have been decisions as to a satisfactory readjustment of taxing methods in Canada which will on the one hand avoid duplication and on the other hand give to the governments which must exercise their responsibility in the field of legislation and administration some measure of discretion with respect to taxation which will give them the real authority over the field of legislation and administration conferred upon them by the British North America Act. Those who have expressed concern with regard to the absence of any evidence of new arrangements at this time have done so with a great deal more than the amount of the payments in their minds. The simple question before us is whether the constitution is of any importance.

Is it of any importance to us that we retain the real genius of our federal system in this country? Is it of any importance that we carry forward the basic principles which were inherent in the type of federal system adopted in this country in 1867?

There are some of us who think that it is of vital and fundamental importance that the strength of the federal system be retained by a proper allocation of taxation which will go hand in hand with the other responsibilities. Those who are fearful of centralizing power in the hands of the central government remember what history teaches us where the government that taxes is not the government that spends. That can apply to a handing over of taxation rights by the central government on the one hand or by provincial or state governments on the other. Over and over again federal systems have been weakened and have collapsed where there was too great centralization of taxing power in the hands of the central government. There are also those who remember that one of the contributing factors in the weakness of the German democratic government set up after the first world war was that the central government under the Weimar constitution had become dependent upon the state governments for a substantial part of its tax resources. History teaches us the importance of imposing at the same time upon a government which spends the responsibility for being answerable for its taxation.

If the government that spends is not the government that taxes there is a loss of direct responsibility to the people both by the government which taxes for another government and also by the government that receives. The dangers of that situation may not emerge quickly. Certainly over the years that has been the situation. The measure before us simply extends an unsatisfactory situation and tends to centralize control over provincial activities in the hands of the dominion government. The best evidence of that is the fact that more and more representatives of the provincial governments and representatives of the municipalities, which are the statutory emanations of the provincial authorities, are coming here to seek special arrangements to deal with this and that problem which ordinarily could be dealt with by the provincial governments if they had that flexibility of taxing power which the full strength of the federal system demands.

One of the reasons that some concern has been expressed about the extension of grants by the dominion government in fields which are normally within provincial jurisdiction is that the experience in the past has been, where these grants are extended, that

dominion activities in these fields constantly expand until the original allocation of authority under the B.N.A. Act has been very substantially changed in actual practice.

Many people who are anxious to see education carried to the very highest possible level in every part of Canada have expressed concern about the grants for education by the dominion government, not because they are anxious to see any restraint imposed upon the ability of the local authorities to advance education in every way that is within their power, but rather because they see the possibility of a trend to place under the dominion government, no matter what political party may form that government, some measure of supervision and control which would go hand in hand with grants of that kind—such as was not contemplated by our constitution. I have supported the request for grants to our universities and I have done so because I believe that our universities perform a great national service and that in addition to the ordinary problems of education there is the necessity for an expansion of higher education, particularly in the technical fields, as part of our general plan of development and national defence. I have expressed those views on earlier occasions and shall not repeat them. Nevertheless, I do see dangers if this tendency should increase.

In the same way I supported the idea of a national library, although it is conceivable that there might be an argument about whether libraries are exclusively under provincial jurisdiction, ones that go beyond the extent of a parliamentary library. I do see the desirability of having a national library where the great traditions of our country may be preserved, encouraged and expanded; nevertheless I see dangers there, related to the subject now under discussion, unless we keep constantly in mind why it is important that the federal system retain that clear allocation of responsibility which preserves the vitality of a system in which unity is in itself largely the result of the extent to which diversity is maintained under that federal system, along the lines laid down in 1867.

To illustrate what I mean, I can see the danger that unless the fundamental principles inherent in our federal system are constantly recognized and preserved there might be a tendency for some to suggest the creation of a department of education under the dominion government. Perhaps it might be called a department of education and culture. When we have seen the extension of the activities of other departments which carry on activities so intensively in the provincial field, I think all of us should be greatly concerned about the possibility of there being any extension of those activities in a manner that would distract attention from the fact that it was considered wise to leave under the provincial governments and provincial legislatures certain clearly defined responsibilities in certain clearly defined fields. I would hope that we would not see this tendency extended. I would hope that we would not see any suggestion to extend the central authority over education or over other matters which are now under the authority of the provincial governments, and which should remain there unless a change by agreement between the dominion and provincial governments is made in regard to any of those subjects at any time.

Changes can be made simply by invasion of a field without agreement being necessary, and that has already occurred on certain occasions. I mention this in relation to the bill now before us because I do wish to emphasize the fact that we should be expressing some concern today and some regret that we have no assurance that the conditions which have made agreements of this kind necessary for some of the provinces—and I recognize that necessity—are not going to be brought to an end, and that there will be that balanced system of taxation which will restore the full authority of the provincial governments in those fields that were intended to be fully under their direction and responsibility.

From what I have said it will be clear that I intend to support this measure because there is no alternative before us. I would point out that every province in this country has in the past indicated its willingness to enter into rental agreements of a satisfactory nature provided that there were assurance that this whole subject would be fully examined and that an effort would be made to seek a solution of the problems which have made those agreements necessary. I once again point out that these agreements were stated by this government in the first place to be temporary expedients in time of war, an attempt to meet for the time being an unsatisfactory situation emphasized by the Rowell-Sirois report; and I do hope that there may be greater success and greater determination to find a real solution to this problem.

We need to tackle the whole combined problem of taxation in Canada—dominion, provincial and municipal. The municipal problem is in many ways at the moment perhaps the most serious of all. The municipal problem is one which arises in different ways in different provinces. Each province has

its own municipal system under its own municipal laws. Each province has its own provisions for delegating the powers of taxation to the municipalities. Not one of us should overlook the extent to which there are increasing appeals by the municipalities directed to the dominion government for assistance in meeting their problem.

If our federal system were working as it should, there need be no appeal at any time from any municipal authority to the dominion government. Under the federal system it was intended that their relationship be a direct relationship with the provincial government. They are under the provincial government both for their legislative authority and for their administrative arrangements. That relationship should be continued. It will interfere with those relationships if they become dependent upon the dominion government for supplementary grants to assist them in meeting those obligations which are so close to the daily lives of our people.

In saying that I am remembering, and emphasizing, that it will be only through arrangements that will give to the provincial legislatures and to the provincial governments the powers they really should have that this situation can be met effectively. Our provincial governments and our municipal governments have been emphasizing the extent to which they need greater flexibility of taxation. From the domestic point of view I think there are few problems of greater importance or of greater urgency than that of taking the appropriate steps to inquire into our whole system of taxation. I think there should be conducted, under an arrangement approved by the dominion government and the provincial governments, an inquiry which will seek to advise the dominion, provincial, municipal and independent taxing authorities, with an effort made not only to simplify our taxing methods, to avoid duplication wherever possible, to reduce taxes in any way that they can be reduced at this time, but also to find a way in which the taxes will bear upon our people most lightly at a time when they are bound to bear heavy taxes in any event.

It is not only the burden of taxes that affects individuals and business in this country; it is the impact of particular forms of taxation. That matter should also be examined. I almost hesitate to make the suggestion, in view of the fact that the government have shown such an unwillingness to consider royal commissions except when it happens to be for some purpose which they themselves bring forward; nevertheless I suggest that a royal commission should hear evidence from experts in the dominion, provincial and municipal fields, as well as independent experts from this country and from outside of Canada, in order that such a commission might make recommendations that would be helpful to both the dominion and the provincial governments.

As this measure is passed which will make it possible for the dominion government to enter into agreements which I understand have been approved by eight of the ten provincial governments, nevertheless I hope the government will recognize the need for tackling this over-all problem of taxation at the earliest possible date so that duplication may be avoided, taxes may be reduced wherever that is possible, the different levels of administration may have flexibility of taxation, and the impact of taxation itself may be in such a way that it will increase the general efficiency of production throughout Canada in every way it can. This is a time to urge that this be done, and to express once again the fact that we are called upon to pass this legislation and to see these agreements renewed for another five years without any assurance that this problem is really going to be tackled.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when we had before us the resolution preceding the introduction of this bill, I indicated that we would support this measure. That is our position. Despite any shortcomings there may be in the situation owing to the fact that an over-all agreement has not yet been reached, we feel that this legislation certainly goes in the right direction.

It is our contention—as I pointed out on June 17, and therefore I do not need to repeat it today—that our primary concern in these matters should be not for the alleged rights of any of the governments of this country but rather for the rights of the Canadian people. We feel that any taxation arrangement akin to the set-up that we had in Canada prior to the war makes for terribly inequitable taxation. Such a system results in the situation that those who happen to be in parts of the country into which the wealth produced in other parts of the country is channelled are able to escape the taxation they should pay. After all, we are Canadians first, not citizens of particular areas in this country. It seems to me that the most important field in which we should express our Canadianism is in the economic field by an attempt to achieve as fair a distribution as we can of the wealth that is produced by the Canadian people from coast to coast.

Although we regret that an over-all agreement has not yet been reached, although we

regret that there has not yet been worked out a plan that will satisfy all of the governments concerned, and although we hope that that might yet be done, nevertheless we would not want to retreat by one iota from the position that has been attained by such agreements as have been signed between the federal government and eight of the provinces. We shall therefore support this measure.

The leader of the opposition (Mr. Drew) today once again expressed his concern for restoring to the provinces what he referred to as that independence in taxation which he regarded as an integral part of the federal system. We feel that more important than the independence of taxation which some provinces might like to have is the desirability of all of the provinces having the financial capacity to discharge their obligations to the Canadian citizens residing within their borders. A few provinces may have enjoyed that financial capacity under the kind of set-up that we had prior to the war, but certainly all provinces did not have that financial capacity. They approach enjoyment of that financial capacity under these agreements. As I have already said, we feel that that consideration is a much more important one than is the proposal that every province should enjoy complete independence in the field of taxation. It is our view that there are various aspects of taxation, and that there are many other aspects of public policy, by which the people in the provinces retain the control over their provincial governments. There is still plenty of room for testing the responsibility of provincial governments to the electorate in the various provinces. In fact we have had some recent examples where that responsibility has been well tested. Some were tested and found satisfactory; some were tested and found wanting. Therefore, Mr. Speaker, for these reasons and as I have already indicated, we shall support this measure.

There was one reference in the remarks of the leader of the opposition with which we agree, namely, the fact that one of the most difficult problems in the field of taxation in this country at the present time relates to municipal taxation. That is a matter beyond the control of the federal parliament; that is a matter that calls for negotiations between the various provincial governments concerned and the municipalities which are their creatures; but we feel that something is terribly needed in that field as well. Indeed, it is because of the situation in that field that there is given added impetus to the proposal that we have made from time to time, that there should be federal aid for education.

At the present time the cost of education for the most part is levied against real estate, which we feel is unfair, for it does not accord with the principle of taxing according to ability to pay. It would be out of order for me to pursue the question of federal aid to education under this motion, but I do bring it in, in passing, to emphasize both the need for a revision of the taxation arrangements as between the provinces and the municipalities, and also as to the need for federal aid in this important field of education.

The leader of the opposition had a fair amount to say on the question of education, particularly with respect to the grants to the universities by the federal government. It is also to be noted that he has given support to the motion of my colleague, the hon. member for Saskatoon (Mr. Knight), with respect to the granting of financial assistance to the various provinces for the purpose of equalizing educational opportunity across Canada. He has given that support both in speeches that he has made and by his vote, for example, on April 21 of this year, as reported at page 1463 of *Hansard*. In fairness to him I must admit that when he spoke on the question he expressed certain misgivings, and he tied that support to his ideas about dominion-provincial taxation arrangements; but nevertheless I think that it was an expression of his best judgment when on April 21 he voted for that motion for federal aid for education. In other words, Mr. Speaker, it seems to me that we have there a recognition by the leader of the opposition of the principle which underlies these agreements, namely, that in a country like Canada, and as part of our federal system which we all support, it is essential that there be some central body with sufficient taxing authority to be able to tax the wealth of this country wherever it is made and redistribute it on a basis of fairness to the people of Canada, no matter in what part of the country they may live.

Because we believe that the rights of the people of Canada to the best that our economy can make possible are superior to the rights of individual governments, either provincial or federal, we support this measure.

Mr. Solon E. Low (Peace River): Mr. Speaker, I remember when the first taxation agreements were negotiated between the dominion and the provincial governments we were given assurance that after the war the process of negotiating further extensions of the agreements would be terminated; that is,

that these transfer agreements would be only temporary expedients. If I remember correctly, there were two important reasons given for the negotiations to start with. If I remember rightly the first of these was that there had to be some assurance of what the minister has called a restraint in applying taxation measure across the country so that fairness would result, particularly in wartime.

The second reason, if I remember rightly, was to put into the hands of the federal government those authorities and powers which would make it possible for us to conduct a strong and vital war effort. Well, I supported the negotiations of the first agreements because I felt that there must not be confusion in taxing matters within Canada if we were ever to put on a war effort that would be successful and that would terminate in victory for our side. I did say at the time we were negotiating the first agreements that I thought the federal government should be a little more honest in their statements. I felt that when these agreements were negotiated the federal government itself would never want to surrender whatever authorities were given over by the provincial governments. I think my fears were well founded. If I had been a betting man then I likely would have said that I bet my last shirt that those authorities and powers transferred to the federal government under the agreements would never be returned to the provinces and I believe that subsequent events have proved that my fears certainly were well founded.

At the present time we are considering an extension of the agreements for another five years. With the procedure calling the provinces together and negotiating with them in detail all parts of the agreements which had not worked out satisfactorily in the past, and revising those parts of the agreements which have become intolerable, let us say, I have no quarrel at all. I have no protest against the procedure. The provinces that did negotiate seem to be quite well satisfied with the results of their negotiations, and the details of the new agreements as outlined by the minister this morning seem to me to be perfectly acceptable, and I have heard no protest from any one of the provinces that has indicated its readiness to enter into a new agreement.

Of the provisions of the present agreements, so far as they relate to my province, I certainly have no criticism. The amount of the payments, the application of the principle of guaranteed minimum payments to the provinces, is a good provision. I think it is quite acceptable to all those provinces that have negotiated. Of course to Ontario and Quebec the principles do seem to be unacceptable.

[Mr. Low.]

With the provision of the adjustment payment basis I find myself in agreement. It seems to be fair. I have nothing to protest against in that regard. Perhaps I can best sum up what I feel about the bill in this way, that it is only the modification; it provides only for the extension of the present agreements on a modification basis; that is, it provides for modifications of previously negotiated agreements, but it does not in any way get down to a permanent solution of the great problem that confronts the governments of Canada, namely, a final decision on the allocation of taxation powers that could be concluded finally and for, let us say, a reasonable number of years ahead.

I think that this matter of having to come back every five years and renegotiate on the basis of agreements that were entered into temporarily to begin with is not a good thing, and I do not believe that the minister himself likes it at all. I believe in the federal type of union in this country; I think it was developed to fill a real need. In a country such as ours I doubt very much whether we could ever have satisfactory government under a unitary system. I doubt very much that we could ever have satisfactory government under a unitary system; there is too much diversity; it is too big a country. There are too many local problems to make that unitary type of government possible. And so I say I believe in the federal system as it applies to Canada. I believe in the arrangement as it was originally worked out by the fathers of confederation. I do believe that it was sound, and that the allocation of powers under the terms of the British North America Act was wise.

What I would like to see is some form of final agreement on the matter of a taxation policy as between the dominion and the provinces, settled in such fashion as to maintain the balance between the provinces on one hand and the federal or central government on the other. I would like to see that balance carefully preserved, because it was worked out by the fathers of confederation in an exceedingly wise manner, in my judgment.

Therefore we most certainly must be careful in anything we do that tends to modify the balance that was established. And in my judgment, having the federal government assume authorities that have been considered provincial for so long does interfere with that balance. It places in the hands of the central government undue authority over local governments.

I am not a centralizer; I do not believe in centralization. Obviously the hon. member for Winnipeg North Centre (Mr. Knowles)

has certain ideas with respect to the centralization of power in the federal government. I do not believe it is wise to take government too far from the people. The grass roots of democracy is right down in the municipality. That is where I think we should begin to decentralize, and see to it that the municipalities have sufficient authority to take care of the needs of the people right in the municipality. They are the people who know how to administer the affairs that touch their lives directly.

I am thinking now in terms of such things as health schemes and hospitalization. There is a tendency in this country to remove these things from the municipality, and to centralize their administration in the provincial governments. Now there is a move to try to centralize that sort of thing in the federal government. Well, it just will not work—that kind of centralization. I think it has been amply demonstrated in this country as in others that there are things, things that touch the lives of the people very closely, which ought to be left exclusively to the administration of the municipalities in Canada.

Mr. Knowles: The administration, yes.

Mr. Low: That is true. The point I make is—

Mr. Knowles: There is no argument about that.

Mr. Low: Within the scope of my experience, any time the central government has been prevailed upon to make contributions by way of financial assistance for those things that are administered by municipal and provincial governments, it has insisted upon having a hand in the administration. That is not good. To my mind that is the great danger of the centralization movement.

I say this, that there is no reason why the federal government should not be able to come to the assistance of the provinces, and perhaps indirectly through the provinces to the municipalities, without insisting upon having a hand in that direction and also in the administration. For example I cannot understand why it is necessary, if the federal government is to take part in the cost of education, that it should insist upon setting up what may be called virtually a ministry of education in the federal field. That in my judgment is stupid, in the extreme.

Mr. Knowles: That would be the basis upon which you voted for the resolution of the hon. member for Saskatoon (Mr. Knight).

Mr. Low: Yes; I voted for the resolution of the hon. member for Saskatoon on this basis, that the federal government ought to be prepared to make contributions toward educating the boys and girls in this country, with no strings attached. Those contributions should be handed over to the provincial governments to be administered where the education is to be administered, under the constitution—and not in any way on a basis of giving the federal government authority to interfere or to impress upon the provinces its ideas of policy. I think we have always stressed carefully that whenever federal grants are called for, if they are to be made at all they should be made upon a basis of a complete hands-off policy.

Mr. Knowles: Would the hon. member permit a question? Would he indicate the difference between the federal government turning over out of federal revenues money to the provinces for purposes of education, without attaching any strings thereto, and turning over federal moneys to the provinces for other activities, provided it likewise leaves the administration of those activities to the provinces. Are they not on all fours?

Mr. Low: I think they are.

Mr. Drew: In view of the fact that the hon. member for Winnipeg North Centre has made some comments about my remarks, may I ask if he means by that that the federal government should exercise control over education in the provinces, where grants are made for education?

Mr. Knowles: If I may be permitted to answer the question of the leader of the opposition (Mr. Drew), asked during the speech of the hon. member for Peace River (Mr. Low), the answer is very definite—and it has been placed on the record repeatedly —that we insist that there be no interference of any kind on the part of the federal government with provincial administration of education. That has been made clear in the resolution of my colleague the hon. member for Saskatoon, and in all of our speeches on the question of federal aid for education. No one has any doubt about that point at all. My question was: If we on this side of the house—the leader of the opposition and those of us in this group, and the hon. member for Peace River—take that stand with respect to education, why can we not take the same stand with respect to other matters?

Mr. Low: I would say there is no good reason why we should not take the same stand with regard to other matters. In fact, that is the stand I am taking—exactly that. But when we talk about centralization and taxation powers for the purpose of redistribution, so that the people of the country can share equally in the good things Canada

has to produce—well, then, we get into a type of theoretical discussion which, I am afraid, has no termination at all.

It looks to me as though we are getting onto pretty dangerous ground when we talk about the centralization of taxing powers in the federal government, on that basis. I think there has to be a completely new approach to the whole matter of revenue. I would like to look at it more from the point of view of revenue than of taxation.

Somehow or other, in discussions of this kind, it would appear from what we say that we think there is no other way of getting revenue, except through taxation. But that is not true; that is not true, by any means. I think there is one government at least in the Dominion of Canada that has proven quite definitely that there are other sources of revenue.

Mr. Sinclair: Out of oil wells, though. We cannot all have them.

Mr. Wylie: Jealousy will get you nowhere.

Mr. Low: We are using that as a means of obtaining revenue; but I would say once again to the hon. member for Coast-Capilano (Mr. Sinclair) that you cannot begin to compare an $89 million industry, and its power or ability to provide revenue, with a $525 million industry, such as he has in British Columbia. You cannot put them on the same basis.

Let me point out that out of the $89 million industry last year in Alberta we obtained much more revenue than did British Columbia from the $525 million industry, an industry based upon resources belonging to all the people out there.

Mr. Sinclair: The hon. member is comparing royalties and leases which in no way affect corporation taxation.

Mr. Low: The same thing would be true with respect to the oil industry. There are large corporation taxes paid just the same as in the lumber industry, and there are the same types of wages and salaries paid and dividends and profits. What I am getting at is that I think it is a wrong approach to consider taxation as the only source of revenue for a government. It is not. The sooner we realize that it is not, the sooner we are going to come to some new arrangement as between the various governments of Canada so that the responsibilities allocated to those governments by the British North America Act can be discharged fully by the respective governments.

I think we shall have to change our approach. I say that the revenues which the provinces need to discharge the responsibilities placed upon them by the British North America Act ought to be made available. They can be made available. Anyone who says that they cannot is denying that this country can produce in tremendous quantities. The amount of revenues to be obtained by all governments in Canada is limited only by the extent of the resources we have, manpower resources and natural resources, and our ability to get labour and effort applied to those resources. That is all. What we need to do is to approach this whole matter of revenues for governments from the point of view that what we must get into the hands of the various governments is revenue to enable them to discharge their responsibilities under the constitution.

Mr. Macdonnell (Greenwood): Would the hon. member think it was a good thing if, by some happy accident, let us say by finding out that crown lands produced a terrific amount of revenue, a government found itself depending less and less upon taxation? Does he not think it is sound that a government's revenue should come from taxation? Is not that the chief hold that the citizen has on a government in calling it to account? Supposing, for example, a government did not need to tax at all; would not that create a very unsound situation?

Mr. Low: It is pretty hard for me to assume that any government would ever get into the position—

Mr. Macdonnell (Greenwood): I once heard a conversation between two men, evidently from Alberta, where one expressed some hope that Alberta might be able to do away with taxation altogether.

Mr. Low: I cannot conceive of a condition under which a provincial government would not have to use taxation, if not continuously at least periodically. It will be a long time I suppose before we see governments doing away completely with the power to tax. But I think it is possible for governments, provincial governments particularly, to apply the minimum of taxation and attempt to secure the bulk of their revenues from other sources. I believe that that is possible. As a matter of fact I think we are demonstrating that in the province of Alberta.

Mr. Macdonnell (Greenwood): And desirable?

Mr. Low: I think it is desirable; I do not think there is any doubt about the desirability.

Mr. Hansell: It would still have the power.

Mr. Low: I would point out to the hon. member for Greenwood that although a provincial government might not be applying

taxation measures, it would still have the authority to tax. That authority should be kept by the provinces. It should be remembered that the resources from which a province might obtain large sums of money are expendable. They are resources that eventually will play out and when they do the province would of necessity have to go back to the imposition of certain taxation measures which it may have abandoned in the meantime.

Mr. Macdonnell (Greenwood): What a wonderful time the government would have in the interval.

Mr. Low: I am not so sure. One thing we have to have in our mind is that no principle can be said to be absolute. I believe the hon. member for Greenwood will agree with that. What I am speaking of this morning is this: I think that if we approach this whole matter of dominion-provincial relationship so far as finance is concerned from the point of view of getting into the hands of the provincial governments, and through them to the municipal governments, the amount of revenue which they require to carry out their responsibilities under the constitution, we will be doing a whole lot better job than if we just think in terms of taxing powers, having to tax here or tax there.

It seems to me that the revenue which any province needs at the present time has to be assured to it and should be assured for years ahead. I do not believe it is possible for us to give them a feeling of stability by merely extending taxation agreements for five-year periods. I do not think that that is possible nor is it desirable.

I should like to see some permanent solution to this whole question. The sooner we do what the leader of the opposition, in the final minutes of his address this morning, said we should do, namely, review the taxation system and how the various taxes impinge upon the various governments, review them to see if there is not some way of coming to an agreement by which the provinces will know that certain taxation fields are exclusively theirs and certain taxation fields are exclusively the dominion's—approaching the whole matter from that point of view and reaching a final agreement and conclusion as soon as possible—the sooner we will be able to establish our provinces and our municipalities on some basis of stability and permanency.

I am concerned, as I said in the beginning, with preserving in our federal system a balance which shall not be subject to undue centralization or undue decentralization. On the other hand, we realize that there must be a strong central government as well as strong provincial and local governments. That is desirable. It is that balance which I think we ought to try to achieve.

The leader of the opposition spoke of attempting to preserve the vitality of our federal system. I think perhaps it can best be described as vitality in a country like ours with its diversity of resources, diversity of conditions, a land that extends from the Atlantic to the Pacific. It seems to me that one of the important things we have to do is to lay down a set of policies and conditions under which we can guarantee that the vitality of our country shall never be diminished or depleted.

I think decisions have to be made soon on a more permanent basis. While we are prepared to accept the principle of Bill No. 347 which is now before us, I do not want it to be assumed that we are permanently in agreement with the idea of an extension of taxation agreements every four or five years. That is not adding to the possibility of stability in our country in any respect. We support the bill for the time being, but we do ask that the government of Canada which controls the financial policies of the whole country make every effort to come to some final allocation of powers and authorities in the financial field which will guarantee that the provinces and municipalities will have the wherewithal to take care of the responsibilities placed upon them by the British North America Act.

Mr. J. M. Macdonnell (Greenwood): Mr. Speaker, I agree with those who have said we will support this measure. I just want to underline one or two things that have been said already. I think there is no doubt that we all agree with the remark that has been made that we are all federalists. We do not believe in a unitary form of government. I think it was the Right Hon. Ernest Lapointe who said that the dominion after all was the child of the provinces and not vice versa. There are two things which I think are clear. First of all we are taking what was an emergency measure and perpetuating it. When I say "perpetuating it" of course I know we say that it is temporary. I think we admit it is an expedient, but after something goes on for five, ten or perhaps fifteen years it is not so very temporary and it becomes very difficult to unscramble the omelet. I think we all admit as an academic proposition that it is sound that those governments that spend money should raise the money they spend. However, we have departed a long way from that principle. Eight of the provinces have found it a comfortable and apparently a comforting thing to do.

I have often reminded the house that we have been passing through very prosperous years when the goose has been hanging high and the provinces have received grants which I presume were very satisfactory to them. So the thing has gone along, but nevertheless I do not think anything has happened to cast doubt on that principle. If I remember right it was strongly asserted by, among others, one who was very well known in this house, the present premier of Nova Scotia.

There is one other thing I want to say. Even in spite of provincial satisfaction which seems fairly widespread, we do see one place where our present system is not really giving satisfaction, and that is in the case of the municipalities. I take it that the municipalities were not and could not be present at the discussions which took place because after all the municipalities are creatures of the provinces, and it would be almost, if not wholly, impossible to carry on discussions with them at large. Nevertheless there remains the problem that the leader of the opposition (Mr. Drew) mentioned, and it seems to me it is a very real one. I should just like to say that in my opinion we should remind ourselves when we are doing this that, in spite of its wide acceptability, we are infringing upon a principle which I do not think has ever been satisfactorily set at nought in argument. We say we are doing it temporarily but as the years go on it is going to become harder and harder to make a change without great disturbance. There are some indications now, notably in the municipalities, that we have not solved the problem so far, and I should not wonder if, before the final solution comes, we may find, as people find so often, that we have to go back to accepted principles.

Mr. G. M. Ferrie (Mackenzie): Mr. Speaker, I want to say a few words with respect to these tax agreements. I am sure that western members agree with the principle one hundred per cent. We hear a great deal about the centralizing of taxation but in a country like ours it is very hard to get away from it. The wealth produced in the western provinces is not taxable. It is the taxable dollar that you have to take into consideration, and that taxable dollar goes to eastern Canada. The taxable dollars accumulate in the place where commodities are bought. We buy goods from eastern Canada and the profits are made in eastern Canada. It is impossible for the governments of western Canada to tax those dollars. I say that all should come within the scope of the agreements in a federation of this kind. It unites the whole of Canada. We have a big industrial area in Ontario and Quebec and then an agricultural area east and west of the two industrial provinces.

The agricultural areas must have some form of taxation that will help them and that form of taxation is controlled now by the dominion government. The provincial governments have no right to enter that field of taxation. Even if they had, the head offices of the big industries are in eastern Canada and the governments of the agricultural areas still could not tax them. The system in effect at present in some of the provinces is being condemned. That is most unfair. In the last provincial election the premier of Saskatchewan was going around the country condemning the action of the federal government so far as the moneys paid to them are concerned. I do not know what it would amount to now but before the taxation agreement was entered into all the province of Saskatchewan could collect in the form of income tax, corporation taxes and succession duties was $4,500,000. If they had the opportunity to tax today about all they could possibly collect would be double that amount. One has to take into consideration the amount of wealth produced in that province which should be taxable but cannot be because it goes out of the province. Let us say that they would have got $8 million today if they had the power to tax. The federal government is taking care of the taxing and in doing so is giving the province of Saskatchewan $26 million.

The distribution of that $26 million has prevented Saskatchewan from falling into a depression. If we in Saskatchewan as an agricultural province did not have the benefit of the grant from the federal government we could not possibly enjoy a standard of living that would compare with any part of the industrial areas of Canada. We could not tax real property in order to secure the amount of money the provincial government should have to do the job it has to do. The only way we can secure a fair distribution of the taxable dollar is under the system now being followed by the federal government. We in the west are very pleased with the way the federal government has taken hold of this matter. It is agreed that we would like to have more money but I think it is the duty of those who receive the money to give some praise to the man who has to collect it. In many parts of the country he is being condemned for high taxes. The people are paying taxes but they are having the money paid back to them and receiving services so there should be no kick coming. I wish to congratulate the

minister on the job he has done. I hope he will carry on and give us more instead of less.

Mr. Rodney Adamson (York West): Mr. Speaker, I have listened to the complaints of the west with respect to this matter. May I say that the one hope of having a geographically balanced economy for Canada is the industrialization of the west. Industrialization of the west can take place only through the development of natural resources other than farm resources. I only hope that the citizens of the three western provinces will try to forget wheat and try to remember that a great part of three western provinces is under the Pre-Cambrian shield and that a great part is now potential oil country of the greatest magnitude. Until such time as we can go farther in the west in producing natural resources other than farm produce we will not have a truly balanced economy.

There is just one other matter that I wish to bring to the attention of the minister. I have mentioned it before and I do so now very briefly because I think it is important. I refer to the matter of succession duties. Succession duties were brought in as a war measure simply and solely. They were an invasion of the provincial field but were justified as a wartime measure. To my mind collection of succession duty by the federal government is an invasion of provincial autonomy.

Some hon. Members: Hear, hear.

Mr. Adamson: I have said it before but I feel that succession duties have an unfortunate result. They tend to centralize industry in the hands of a few large corporations. When one of the owners of an individual or family corporation dies, succession duties very frequently result in the corporation being liquidated or sold to a larger corporation in the same field. That is a bad thing, Mr. Speaker, because it not only has the effect of centralizing industry in one or two larger plants but it destroys smaller industry.

I realize that small industry has been very prosperous and has been booming recently, but throughout the years if the principle persists and if succession duties are levied at extremely high levels the result will be to centralize power in the hands of a few large corporations.

At one o'clock the house took recess.

The house resumed at three o'clock.

Mr. J. H. Blackmore (Lethbridge): Mr. Speaker, I had not intended to participate in this debate until one or two things said by the hon. member for Greenwood (Mr. Macdonnell) made me feel that probably it was in order that I should make one or two brief comments.

The hon. member for Greenwood spoke as though it was easy money that was going out to the provinces as a result of the agreements now under consideration. I had the impression that the hon. member for Greenwood had not given adequate weight to the amount of money that was being taken from the provinces by these agreements and the amount of money that had been taken from the provinces every year for generations, before it was conceived that an agreement such as that which is now before the house was an appropriate thing for the dominion government to consider and to adopt in co-operation with the provinces.

My attention was also somewhat arrested by the remarks of the hon. member for Greenwood in reference to assistance to municipalities. I will grant that one of the great difficulties we have in Canada is that of providing to the municipalities adequate purchasing power in order to enable them to discharge the responsibilities which properly rest upon them, and must so rest; but the same difficulty is being found in respect of each province even in spite of the excellent arrangements—as I think we can fairly call them—which the minister has announced and for which the dominion government is certainly worthy of credit which I freely give.

I think the hon. member for Greenwood would be interested in knowing what the province of Alberta is doing in respect of providing assistance to municipalities. This year the Alberta government had an income of $116 million. Of that amount of money she is paying out to the municipalities just under $29 million in order to help them in financing the responsibilities they have. A good deal of that money—not a great amount, but a reasonable amount—is being provided to municipalities in such a way as to encourage the municipalities to keep their taxes down. I do not know of any other province in Canada that had been following that policy before Alberta began it. It therefore is a real credit to the present administration in Alberta that this sort of measure is being applied. I do not think I will comment on that matter particularly because we are all anxious to get along with the business in hand.

Some of the things that Alberta is doing for the municipalities are as follows: Fifty per cent of the gasoline tax has been made

available as grants to municipalities. A portion of this will be paid out for the purpose of tax reduction to which I referred just a moment ago. In addition, the balance of the fund will be distributed each year in the form of unconditional grants on the basis of relative assessment. Again, that is an indication of what I said a moment ago, namely an encouragement to the municipalities to keep down their taxation rates.

For school construction, 25 per cent of capital borrowing of any school district—that is borrowing that has been approved by an advisory board set up for that purpose—is provided by the province as an outright grant. The schools may borrow an additional 25 per cent of their needs from the school lands trust fund at 3 to 3½ per cent. As everyone recognizes, that provision is a real blessing to the schools and, at the same time, the municipalities. The province also will guarantee the interest on the remaining 50 per cent of capital needs the schools must borrow on the open market. As will readily be noted, these measures are designed to give support to the credit of the municipalities.

As to road building, capital grants to municipalities for road construction are on a 75-25 per cent basis with the provincial government paying 75 per cent. A fund has been established, moreover, from which municipalities can borrow money for self-liquidating projects at 2 per cent interest, repayable over a period of 20 years.

Here are some of the things for which Alberta provides her municipalities assistance and the amounts provided: School grants for 1952-53 amount to $9,870,000; teachers' retirement fund, $565,000; school building assistance fund, $2 million.

As to public health: per diem hospital grants, $1,102,000; special hospitalization grants, $1,504,000; hospital construction grants, $500,000; grants for health services, $58,000.

As to public works Alberta provides: grants for roads in municipal and improvement districts, $3,880,000; grants for bridges, $800,000.

In respect of the treasury department she provides: grants to municipalities in lieu of taxation on certain government buildings, $30,000; grants under the municipal assistance act, $5,991,000.

Under the lands and forests department she has granted: increased payments to municipalities from grazing leases—which would naturally come to the provinces—$200,000. In total in these respects the direct financial assistance from the province to the municipalities amounts to $26,500,000 in the year 1952-1953.

Some other advantages being granted by the Social Credit government are as follows: They have assumed 60 per cent of the indigent relief and child welfare costs in Alberta—formerly paid by the municipalities—$585,000; the 10 per cent of the basic old age and blind pensions formerly paid by municipal authorities, $500,000; they have made a reduction of a municipality's share of the cost of mothers' allowance from 25 per cent to 20 per cent, estimated at $50,000; the cost of hospitalization for pensioners, formerly paid by municipal authorities, $1,450,000 the province has assumed. These amounted in total to $29,085,000.

I think the hon. member for Greenwood, after contemplating this record, will realize that if the other provinces in Canada could be so blessed as to have Social Credit administrations elected, he would not need to worry greatly about municipal assistance in the days to come.

In addition to this, from 1935 up to the present time, the province of Alberta has cancelled $47,800,000 of debt owed by the municipalities to the province. These cancellations would be classified as follows: In consideration of taxes, $8,600,000; in consideration of direct relief granted, $29 million; in consideration of seed and feed relief, $10,200,000.

In addition to these, starting right from the very beginning of the Social Credit administration the Alberta government saved thousands of farms and homes of Alberta citizens. These citizens have since become prosperous, which indicates that the general attitude of the Social Credit government in respect of these people, who were in bad circumstances, was correct, that is, that the people were good; they were credit worthy. All they needed was assistance in times of serious difficulty.

I think it would be well, Mr. Speaker, to give the minister, and particularly the hon. member for Greenwood (Mr. Macdonnell) these figures to relieve his mind in respect of anxiety about the financing of municipalities.

I think I shall make one more comment before closing, and it is this: If we look at the amount of money in Canada which is now in the hands of the people in savings accounts and in other places, we shall be simply astounded at the amount which has come into the possession of the people of Canada since world war II broke out. Where did all that money come from? Every dollar of that money, I believe, except what has

come in from outside sources such as the United States for investments, has been created by the banks in Canada. I hope the hon. member for Greenwood will get that down into his mind and let it impress him. Every dollar of that increase in money in Canadian banks and institutions has been created by the banks of Canada since the year 1939; and the banks of Canada have claimed it. They have gathered interest on it and are still gathering interest. Is it not an astounding thing? Why did not a good deal of that money come from creations by the dominion government? Why should not the dominion government have been creating that money and owning it and using it for the benefit of the Canadian people instead of allowing our banks to create it and lend it for the benefit of the banks? I believe that question will help hon. members to realize what the hon. member for Peace River (Mr. Low) had in his mind when he implied that there are sources of revenue other than the money which can be taxed from the people.

When the government of this country and the governments of the provinces begin to study this matter they will begin to realize that all the money which we are now raising as a result of this taxing agreement set-up could be greatly supplemented, greatly added to, by wise use of the Dominion of Canada's power to create money representing the increase in production of the nation.

Let us just take another glance at what this actually means. I am speaking from memory, but as I recall it, when the second war broke out our income, our production, amounted to something like $5,500 million a year. Now it is estimated that in the year 1952 our production will be $22 billion or $23 billion. Where did it come from, the money that resulted from that enormous increase in production? The most orthodox financial mind must realize that when there is an increase in production there has to be a corresponding increase in money, otherwise prices fall. Where did such increase in money come from? As I said a moment ago, the banks created every dollar of it in Canada except what came in from outside, from countries such as the United States, or from some other outside source.

Let us concentrate our attention on this tremendous increase in production and the increase in money which must result in order to enable the people to exchange what they can produce as a result of the increased production. Then we shall find out and understand that Social Crediters know something about public affairs in respect of even managing a dominion such as Canada.

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

Mr. James Sinclair (Coast-Capilano): I, like the hon. member for Lethbridge (Mr. Blackmore), had little intention of entering this debate. It was not, however, the hon. member for Greenwood (Mr. Macdonnell) who provoked me to enter but rather the leader of the opposition (Mr. Drew). I see he is not in his seat at the moment; I hope he will be coming in very shortly.

As far as these tax rental agreements are concerned, I think there is very general agreement in the eight signing provinces that these agreements have been good business for the provinces concerned. It is certainly the opinion of citizens of those provinces, both in their capacity as businessmen paying corporation taxes, and as individuals paying personal income tax. I think I can go so far as to say that perhaps the businessmen in the two non-signing provinces would not be averse to paying just 5 per cent corporation tax provincially instead of the 7 per cent they pay in these provinces which have not signed these agreements. If that were all I had to say about these matters I would sit down.

However, the speech made by the leader of the opposition at the resolution stage of this debate was so extraordinary that I think some attention should be paid to it. If hon. members will look at page 3361 of *Hansard*, at the bottom of the right-hand column, they will find a paragraph which I will describe as the most skilful pussy-footing ever conducted in this House of Commons. So that hon. members can form their own opinion I am going to read this paragraph:

> Either we believe in the federal system or we do not. No one in the House of Commons or outside of it needs to become hysterical or to suggest that we are treading on sacred ground if anyone should assert the proposition that he believes in unitary government in this country. That argument has been made before and it will be made again. There are those who sincerely believe that Canada would be better off with a single government.

Then he goes on to imply that the federal government are those who believe that; that they believe in an all-powerful central government; that they assert that they have all the knowledge and brains in the country. For example, he says:

> This government—

Mr. Macdonnell (Greenwood): May I ask the page?

Mr. Sinclair: I continue; page 3362:

> This government may think it is in a better position to exercise judgment in regard to important matters than are some of the provincial governments. If that is their opinion, most certainly they are free to assert it; and anyone should accept that opinion as an expression of individual belief or the collective belief of this government.

The Minister of Finance immediately interjected and made it quite clear that that was not the view of the government; that it had never been the view of the government. I began thinking to myself, why is the leader of the opposition taking such pains to state the obvious, that in this country everybody is free to say whether he believes in the federal system or in the unitary system; and who was getting hysterical about it? The hon. member for Greenwood himself in today's debate a little earlier said that we all in this country believe in the federal system of government, that it is in our constitution, and that ours is a vast country spread over 4,000 miles, over very many geographical and economic regions. Obviously, we must have a strong central government and an able, efficient local administration in these different regions. We know that every public figure in Canada with one exception has realized that. Who is the one exception? This exception was Colonel George Drew, lecturer and writer of the period from 1935 to 1941. He of course is now the leader of the opposition. He still lectures us but he is not writing.

I realize too that the hon. gentleman made another plea to this house in the budget debate, a very interesting plea. This will be found on page 1794 of *Hansard* when he appealed to the house somewhat along these lines: Surely all of us have said some things at some time which we would rather not have said. No person in Canada has said more things that he would rather forget than the leader of the opposition. He appealed to us at the bottom of page 1795 to forget those old speeches. All they did, he said, was to sow discord and disunity.

But not in the country. It certainly sows discord and disunity in the Tory party for Tories in some parts of this country to be reminded of what Colonel George Drew, lecturer and writer, said, and what Premier Drew of Ontario said on national issues. We all realize what a difference there is between his appeals and his performances. He asks us to forget old speeches, then issues that great little Tory pamphlet which has been circulated all over Canada, featuring the remarks made by ministers in this house, casual asides, not considered statements of government policy but truncated little asides made in the heat of debate, stripped of any context. Then he implores us to forget the public statements he has made in the past.

Well now, I am going to look back on some of the speeches he has made, not casual asides but considered speeches on his views. We all know in this house that nothing gives the leader of the opposition (Mr. Drew) greater pleasure than to quote his old speeches back to us, so I am going to flatter him by also quoting him. The thing we must remember is to distinguish between George Drew the lecturer and writer in the period between 1935 and 1941, and Premier Drew of the immediately following period. In his speech on this resolution, despite his earlier plea to forget old speeches, he has referred back to a speech by Colonel Ralston in 1940 and to one by Mr. Ilsley in 1941. He also quoted from his own old speeches of that period. I therefore feel free to read from the position taken in public addresses by Colonel George Drew between 1935 and 1941; and he assured us in an early debate that these speeches are his very own; they were not speeches prepared by Rod Finlayson.

Here is an interesting paragraph from a speech in London, Ontario, as reported in the Toronto *Star* of February 23, 1935:

> For Canada, harassed by debts, labour troubles, and conflict in company, insurance and labour laws, Col. Drew saw in one strong central government the solution, instead of an utterly mad jig-saw puzzle of ten conflicting governments. If we were starting all over again who would be crazy enough to set up ten governments in Canada?

By 1936 he had moved on in his speeches to this theme of centralization of government, as he went back and forth across the country. This is what he said before the Toronto board of trade on November 10, 1936; as reported by the Toronto *Globe*:

> Canada must eliminate the costly inefficiency of ten governments doing, in most cases, the job of one, or else sink in the rising tide of fascism.

He was not even a good prophet. I have seen no rising tide of fascism in this country which he predicted.

Then, again in Toronto on December 10, 1938, as reported in the Montreal *Gazette*:

> The way to get back to the ideals of confederation, to the ideal of a strong central government, is for Ontario as the largest province to sit down and say to Ottawa:

And this is Mr. Drew speaking for Ontario:

> We have acquired rights it was never intended we should have. We have duplicated services. We propose to hand back to you all things of necessarily national character and retain only those things necessary for the good functioning of local government.

And again, speaking at Sudbury on January 20, 1939, as reported in the Toronto *Star*:

> Legislation to end Ontario government services which duplicate those of other jurisdictions was promised here last night by Col. George A. Drew if he heads the provincial administration.
>
> Declaring national unity to be the greatest single issue in Canadian public life in that it would promote development and create employment, the Ontario Conservative leader said at the present time "ten men throughout Canada are being paid to do one job." He instanced the insurance and companies departments of the federal government and the nine provinces.

Then he came down to Halifax; he was really covering the country from coast to coast, to give the Canadian people his views on the absolute necessity for powerful, central government. By 1941 he was really in his stride when, speaking before the bar association at Halifax, he said, as reported in the Halifax *Herald* of April 25, 1941:

"What we need greatly is to look at government from a business viewpoint," he said, "paralleling methods that a private business with a head office and nine branches would employ to promote more efficiency. Preservation of a nation's integrity must come from a strong centralization feeling," Colonel Drew continued. Canada's main problem was its decentralized government system, and the speaker declared, "solution of that problem would insure continuance of the national structure."

That is quite extraordinary in view of his recent speeches in this house. Next we have his statement before the dominion-provincial conference, the first report he made as premier of Ontario to a dominion-provincial conference, in which he said:

Decentralization of services provides the best assurance that the flexibility, vigour and efficiency of public administration will be preserved.

What a difference! What happened in this country between those statements made in 1941, when Colonel Drew was advocating a central office and branch offices; something like the Timothy Eaton form of government, with a powerful head office and branch offices all over the country just to take orders.

Why do we see this sudden change when we come to the dominion-provincial conference, this change from powerful centralization to complete decentralization. There was no change in the country in this period; it was the same Canada. There were the same provinces, with the same powers. Our national and provincial problems had not changed, and for the most part we have had the same government. The only change, of course, was that Colonel George Drew the lecturer and writer had become Colonel George Drew, premier of Ontario, in the interval.

Many people who listened to him in those days at these many public functions may have been persuaded by his eloquence and glamour to believe in centralization. When this metamorphosis from George Drew the lecturer and writer to George Drew the premier came about and he changed his views, where did that leave these people, his converts? They did not become premiers, too. What was responsible for the change? He had become a big frog in a small puddle, and was very anxious to have that puddle expanded by placing more power with the provinces. I am sure hon. members will remember the story of the frog in Aesop's fables who saw a jackass and wanted to be as big as the jackass, so inflated himself up to those dimensions, finally blowing up. Premier Drew, too, wanted to inflate the importance of his position as premier of Ontario. He did not want to head one of his earlier branch offices. And that I think, is the real reason for the basic change from the great national advocate of centralization who, after a five-year speaking campaign suddenly—in one brief year—becomes the great advocate of decentralization, of giving more power to the provinces.

Now, I have said this in all kindness. In expressing these views he was very careful to preface his speech by saying "Let us not get hysterical because other people may have different views." That is quite true. If a mature mind has mature views which he expresses, and sticks to them, we must respect him. But what always puzzles us is the sudden turnabout position of Colonel George Drew, a mature man making a lot of serious speeches on a grave problem. When he made these speeches on centralization he was certainly mature physically, let me put it that way; but he has not yet told us what was responsible for his sudden about-face, from a doughty advocate of a powerful central government to being the champion of decentralization.

Let me turn now to the actual tax agreements and the points which have been raised about them. The first and the most important point is that the whole problem is based upon a formula which takes into consideration first of all the population of the country and its gross national product, what all the people in this country are producing, as Canadians.

The second important point is that these tax rental agreements are all optional. No province is obliged to sign. The provinces have gladly agreed to re-sign now that they have found this is a good way of doing business, advantageous to them and to the country. I need only remind the leader of the opposition that Mr. Anscomb, his chief lieutenant in British Columbia—he is just a lance-corporal now—was so delighted with the new agreement that he rushed back and made a public announcement before telling the cabinet. The hon. member for Peace River earlier expressed the satisfaction of the Alberta government with the way these tax rental agreements have developed. Then there is another reason, which was put forward by the hon. member for Winnipeg North Centre (Mr. Knowles), when he said that this is not a matter of ten warring kingdoms waging battle with some central kingdom, but that it is a Canadian problem affecting just the Canadian people who live in ten provinces.

When you speak of a province you are not speaking of those politicians who, for the moment, form a provincial government. You are speaking of the Canadian people who live in one of our ten provinces. We have rich provinces with great natural resources and, on the other hand, we have some poor provinces who have little in the way of great natural resources. These resources do not belong to the provinces; these resources are the heritage of all the Canadian people no matter where they may live. These resources are entrusted to the provinces for management, but in the end, as I say, they are the heritage of all the Canadian people and all the people are entitled to benefit from them. These agreements make this possible.

Let me give you an example. In my province we have the greatest lead-zinc deposit in the world in the fabulous Kimberley mine. Last year the company operating that deposit paid about $40 million in corporation income tax to the federal government. That was the people's share of the profits made from mining that resource in British Columbia. As such all the people of Canada are entitled to receive some benefit from that, and when the federal government collects the tax and thus spreads it back amongst all the provinces, all the people do get benefit.

Timber is another great resource in British Columbia. The largest of our timber operations in its annual report published earlier this year reported a profit of $31 million, on which they paid $16 million taxes. That was what they paid under the corporation tax of 52 per cent. We, the people of Canada, are the major shareholders in every successful industrial operation in Canada when we take 52 per cent of their profits as taxes. Again, that resource does not belong to the people of British Columbia, it belongs to all the people of Canada; yet only the federal government can tax these profits for all the other nine provinces. There are similar resources in other provinces, although of course there are provinces which are deficient in such resources, the wealth from which can be shared by all provinces through these agreements.

The second point, which I think is a more important one, is this matter of business taxation. I am going to turn to the Timothy Eaton Company, since the leader of the opposition at one time thought the best way to conduct the government of Canada was to have one strong central office with ten branch offices. Eaton's is a good example of a concern with a head office in Toronto but doing business throughout the length and breadth of Canada. We all know that indignation has been shown at various times in different municipalities by local stores which have their own staffs and which pay local salaries and local taxes when chain or departmental stores open up a little order office, pay few local taxes or salaries but take business away from local stores. Their main profits are recorded in their head office in Toronto and are beyond the reach of either the municipality or the province, other than Ontario, to touch.

Timothy Eaton did not set up business with the idea of avoiding taxation. He set up his company in the best way he could for commercial reasons and they pay full taxes, but our tax distribution under provincial control does not put those taxes back in the areas where the profits were earned. The federal government can tax them and share the taxes back with the other nine provinces. The same thing is true of a firm like General Motors which has centralized all its operations in Oshawa. Assuming that one-tenth of their product is sold in British Columbia, it follows that one-tenth of their corporation profits should be taxable in British Columbia, that one-tenth of the income tax paid by their workmen should go to British Columbia. But because Oshawa is beyond that province, under a system of provincial taxation that is not possible. If there were ten General Motors plants across the country, one in each province, there would be no problem, but General Motors have found it profitable to have this centralization of business here in Ontario. When the provinces rent their direct tax fields to the federal government they do receive back a share of the profits earned in their province.

These tax rental agreements afford an opportunity of equalization, because the federal government does tax all industry in Canada and does spread out all those tax resources among the signing provinces and can thus give the provinces their fair share of the profits made by Canadian corporations from their operations throughout Canada and through export.

A third point which is important to us in the western provinces is that these tax rental agreements do give us some return for the benefit of the protection which the Canadian parliament has given for many years, particularly to the industries of Ontario and Quebec. I am as much a free trader as anyone, but it is quite true that in a growing country like Canada an infant industry may require a measure of protection until it can get on its feet. That protection is really at the expense of the consumer. When such an industry in Ontario and Quebec because of this protection can sell its goods in the west and make profits it is beyond the reach of those western provinces to tax those profits, but it is not beyond the reach of the federal government. In our powers of taxation in

the way of income tax, corporation tax and succession duties we do get for all Canada our fair share of those profits and by means of these tax rental agreements we spread that fair share across the country.

As the hon. member for Mackenzie (Mr. Ferrie) pointed out, when Saskatchewan gave up the right to collect income tax, corporation tax and succession duties the best they could ever do in those fields was $4,500,000 a year. This year they are going to get $25 million from the federal government as tax rental. Even if their tax collections had doubled in the years 1939-40 down to today they are still getting far more than they could ever have hoped to collect in that province. Yet all they are getting is a fair share of the national wealth through the taxes paid by those concerns and individuals who have done well in this Canada of ours, a share based on population and national production.

We talk a lot about autonomy. The charge is made that these tax rental agreements are stripping autonomy from the provinces. I think there is a far greater freedom for the provincial government in Saskatchewan having $25 million revenue from income tax, corporation tax and succession duties to devote to provincial purposes than having $4,500,000 which was the best they could collect before this plan was inaugurated.

If there was any sign of earmarking these rental payments from the federal government to the provincial governments for specific purposes then there would be some justification for this cry. We are not stripping autonomy from the provinces when the provinces are free to use these large payments in any way they think is best fitted for their purposes within their own province. We have heard the cry that we should earmark federal funds for education, for helping the municipalities, for assistance in roadbuilding and so on, but the moment we do that we will be stripping down provincial autonomy. The best way is the way we are doing now, that is, to turn over these sums, $162 million in all this year, to the provinces for them to spend within their sphere of responsibility as they see best.

There is another important factor in the fact that the provinces are relieved from the burden of collecting these three taxes. They are also relieved from the problems that would be created by varying levels of taxation. It is one of the anomalies of our taxation system that the poorer a province is the higher they must make their taxation rates. The rich province with great industries is able to have low tax rates while the poorer province, as I say, must have higher tax rates which in turn discourage industry from establishing in those provinces, which continues the disparity between rich and poor provinces. Through these tax agreements we have done away with eight different levels of taxation in the eight signing provinces; there is now just one federal level of taxation.

We have removed the cost of double administration, of having provincial tax offices and federal tax offices doing the same work. We are helping the taxpayer and corporations by removing the necessity for keeping two sets of books, one for the purpose of provincial taxation and the other for the purpose of federal taxation on different bases.

There is just one adverse effect which was pointed out directly by the hon. member for Mackenzie and indirectly by the other hon. members. Since the federal government is doing the major tax collection job for the eight provinces we are centralizing just one thing—centralizing all tax criticism on the head of the Minister of Finance (Mr. Abbott). The provinces are thus enabled to escape almost all criticism. A provincial leader may feel free to go around his province belabouring the federal government, especially the Department of Finance, for the heavy level of taxation, never mentioning the fact that we are collecting his province's share of the succession duties, the corporation tax and the personal income tax. However, the Minister of Finance and this government are quite willing to put up with that penalty because they know that these agreements are in the best interests of the Canadian people.

However, the payments under the tax rental agreements are only part of the benefits flowing from the tax rental plan. The only hon. member who has mentioned the other benefits promised in the green book proposals of 1945 is the hon. member for Winnipeg North Centre (Mr. Knowles) who referred to it in his excellent speech at the resolution stage. If all the provinces yielded these tax fields we promised to do more than share tax revenue with the provinces. We promised that if they would all sign we would enter the social security field by way of family allowances, old age pensions, health grants and health insurance. While all the provinces have not signed—the two major provinces with the largest tax fields have not signed—we have done a great deal toward carrying out those obligations which were mentioned when this tax rental scheme was brought up for renewal in 1945, even though these proposals were contingent on all provinces signing.

There are other large financial grants, not to the provincial governments but to the people of the provinces, through family allowances, through the new old age pension plan;

to the hospitals through hospital grants; to the provincial governments through the trans-Canada highway grants—entering fields which are really provincial fields—and through the recent grants to universities; under all of which we are sending almost $800 million over and above the tax rental payments into those provinces out of the federal treasury, again to ensure uniform appreciation by all Canadians of the wealth of this country. It is certainly a program which has met with great approval across the country. It is true we do not give all this aid to the provincial governments; family allowances and old age pensions go direct to the people. That is the point the hon. member for Winnipeg North Centre made. The agreements with eight of our provinces do not mean that we are giving aid to the provincial governments but to those Canadians who live in those provinces so that they will have the same opportunity as Canadians who live in any other province.

If these things like family allowances and old age pensions were back purely in the provincial field, as the leader of the opposition would apparently like, we can well imagine the very great difference in standards between the family allowance paid in Ontario, with its concentration of industrial and commercial interests, and that which could be paid in a province like Newfoundland. Yet the old people of Ontario and Newfoundland and the young people in those provinces who receive family allowances are all Canadians entitled to the same benefits. I think that real national unity has been achieved in these eight provinces by the fact that they have signed tax rental agreements. Because of that it has been possible to go ahead with many of these programs. I see the hon. member for Winnipeg North Centre bouncing up and down. It is true that it has not yet been possible to go ahead with health insurance but we have gone a long way in other respects in view of the fact that the two major provinces have remained outside the scheme.

With respect to this matter I want to refer now to another instance of opposition by the present leader of the opposition to this program of redistribution of wealth through the federal tax revenues. I am going to turn to page 1803 of *Hansard* for May 1. I say that most Canadians thoroughly approve of this scheme which has enabled us to have uniform distribution of national wealth to the children of Canada no matter in what province they may reside, to the old people of Canada, to the hospitals of Canada and to the universities of Canada to the amount of $800 million a year all told. Here is the real root of the opposition of the leader of the opposition to the tax rental scheme. I am quoting now from his famous radio broadcast of August 9, 1944, which is to be found at the page of *Hansard* to which I have referred. This is not a heated aside made in debate, later regretted; it is a carefully considered and prepared statement which was broadcast in the province of Ontario. It reads as follows:

> This family allowance bill is an obvious bribe . . . there is every reason why it should meet with approval in Quebec where there was a very important election approaching . . . Millions of dollars from the pockets of the people of Ontario will go to the province of Quebec under this measure . . . The people of Ontario will be asked to pay nearly half of the $200 million which will be needed as the initial amount to put the Family Allowances Act into effect.
>
> Our attitude toward any measure which takes money from the pockets of the people of Ontario for the special advantage of Quebec is based upon considerations which affect that province alone. You know what those considerations are.

I have never before heard the leader of the opposition when he was so coy as in that last line. I take it the considerations are that in Quebec there are more and bigger families than in Ontario, but every one of those French-Canadian children in Quebec is just as entitled to the same national family allowance as are children in the small families of Ontario or any other province. There is the heart and root of the objection of the then premier of Ontario both to the tax rental program and to family allowances; he did not want to share the wealth of Ontario with any other Canadian. I want to be fair to him so far as family allowances are concerned. Since that speech in August 1944 he has of course swung around and now lauds this Liberal government policy. He made a curious defence of that speech in the house earlier this session when he defended it by completely ignoring it and quoting from another speech he made a year later. That is a very curious defence. However, he has now completely swung around and has at last seen the virtues of this great Liberal measure because on Monday, May 19, the Canadian Press carried across the country a report of an address by the leader of the opposition in Quebec. The report reads in part as follows:

> Speaking in French, he told audiences here, at Normandin, Mistassini and St. Felicien that family allowances should be increased, even doubled.

Mr. Fleming: There is not a word of truth in that.

Mr. Sinclair: What a long way he has gone since the days when he classed it as a bribe to Quebec.

Mr. Fleming: There is not a word of truth in that report.

Mr. Sinclair: Mr. Speaker, the Canadian Press service extends from coast to coast, and everyone in the house or in public life knows that the usual lame excuse of any foolish politician whose tongue has outrun his brain is to throw the blame on the press and say that he was misquoted.

Mr. Macdonnell (Greenwood): Do you believe it is true?

Mr. Sinclair: Yes, I do, knowing the kind of statements the leader has made in the past.

Mr. Fleming: You need your head read then.

Mr. Pouliot: Arthur Meighen was always misquoted.

Mr. Browne (St. John's West): So is the hon. member for Temiscouata.

Mr. Sinclair: In conclusion, I want to say that the tax rental agreements with eight of our provinces, associated as they have been with the old age pension plan, family allowances, health grants, trans-Canada highway grants and university grants, have gone a long, long way to equalize opportunity in this country for all Canadians no matter what province they may live in, and have spread the national wealth on a national basis and so strengthened both the provincial governments and the federal government. The plan will be on an even sounder basis when the two central provinces come into the scheme, and I hope that day is not far distant.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Beaudoin in the chair.

On section 1—*Short title.*

Mr. Knowles: May I ask the minister if it is the case that this bill when passed will give the government authority to enter into tax rental agreements not only with the eight provinces that have already indicated their willingness to do so but also with the other two provinces?

Mr. Abbott: That is correct.

Mr. Knowles: In view of the fact that the failure to reach over-all agreement did not stand in the way of proceeding with old age security under the new legislation we now have, can it be concluded that failure to reach an over-all agreement does not stand in the way of a nationwide program of health insurance?

Mr. Abbott: I would not think one should necessarily make that assumption.

Section agreed to.

Sections 2 and 3 agreed to.

On section 4—*Compensation payable.*

Mr. Macdonnell (Greenwood): As I recall it the original calculation was based on the gross national product of 1942.

Mr. Abbott: Under the old agreement, yes.

Mr. Macdonnell (Greenwood): This agreement is carrying everything forward five years.

Mr. Abbott: It is to be 1948 so far as the guaranteed minimum is concerned.

Mr. Macdonnell (Greenwood): That is my question. Why is it 1948? The original year was 1942. The agreement moves on five years. Why does the year of calculation move on six years?

Mr. Abbott: In considering the whole situation we came to the conclusion that 1948 represented a year in which business conditions were such that in increasing the original guaranteed minima to bring them up to the 1948 basis that was as far as the federal government felt it could properly go and give a guarantee to the provinces that these amounts would be paid no matter what economic conditions might be. 1948 was three or four years after the end of the war, and to a considerable extent conditions had levelled off by then. For this and other reasons it was felt that 1948 was the proper year.

Mr. Macdonnell (Greenwood): In other words, apparently you felt free to take whatever year you liked regardless of whether it was five years from 1942 or six.

Mr. Abbott: Quite so.

Mr. Gibson: Would the minister say whether during the operation of these agreements the provincial governments have been reasonably fair with the federal government? It occurs to me that we have left quite a loophole here resulting in the federal treasury being deprived of money when we allow the provincial governments to set the royalties on their natural resources. After all, if they take it from us we do not get a chance at it in the form of income tax. I know that the government of British Columbia, for instance, when selling their natural resources to the logging companies pretty well assess what the probable profit in these logging operations will be and they will not allow you more than 20 per cent profit on your operation. They put up the stumpage value to take care of whatever profit there might be in excess of 20 per cent.

Mr. Abbott: Speaking generally our relations with the provincial governments on the operation of these agreements have been most satisfactory.

As my hon. friend is aware, there is a definition of a proper royalty in the agreement entered into with the provinces and therefore the federal government would be in a position to challenge any royalty which was in excess of what was proper and reasonable or prejudicial to the federal position.

Mr. Gibson: The royalty would be different from the stumpage value on timber?

Mr. Abbott: I think we are really talking about the same thing.

Mr. Adamson: I think this clause might be the place for the minister to inform me of the difference in computation of the gross national product.

Mr. Abbott: I do not know that I can give the exact difference. As my hon. friend is aware, the gross national product at factor cost eliminates indirect taxes in Canada but not depreciation, whereas at market price it includes both those items. The figure would therefore be lower than at market prices, but as long as you are relating like with like it does not make any difference in the practical operation of these agreements, so far as the provinces are concerned.

Mr. Adamson: The term was new to me and that is why I asked about it.

Mr. Abbott: It is one of these economic expressions.

Mr. Adamson: Factor cost means the gross national product with such items as sales tax and it would also include royalties and stumpage dues deducted?

Mr. Abbott: It would mean the gross national product less indirect taxes, but not less depreciation reserves. My hon. friend will realize that those might well be eliminated for calculations of this kind because as I mentioned in my opening statement, it does not seem appropriate to relate payments which may be made to the provinces to a particular level of indirect taxes which may be raised or lowered for reasons other than a desire to affect the total payments to the provinces. After consideration of the operation of these agreements over five years it was felt that the figure relating to the gross national product in the formula should be based on factor cost rather than market price.

Mr. Adamson: Factor cost means the basic cost of production rather than the price received for the material?

Mr. Abbott: Yes, I think that is a very good layman's or colloquial explanation.

Mr. Macdonnell (Greenwood): The minister referred to depreciation a moment ago and that prompts me to ask this question. Will there be any adjustment necessitated by that change in depreciation or is the amount involved not sufficient to make a difference?

Mr. Abbott: I am informed that it is not significant compared to the amount of indirect taxes.

Mr. Browne (St. John's West): I was not here this morning when the minister spoke and I wonder whether these amounts which are going to be guaranteed for five years are higher than the provinces have received?

Mr. Abbott: I put a table on *Hansard* showing the new minimum guarantees and on an average the figures are 50 per cent higher than the current minimum agreements. I also gave figures for the present estimated payments to each province. For instance for Newfoundland, the province in which my hon. friend is probably most interested, the guaranteed minimum is $9,174,624. The adjusted payment for the first year of the new agreement on the basis of present estimates would be $12,291,593. I put on *Hansard* a table showing the corresponding figures for all provinces.

The Chairman: Shall the clause carry?

Section agreed to.

Sections 5 to 7 inclusive agreed to.

On the title.

Mr. Knowles: Before the title carries I wonder if I might ask a supplementary question following on the answer made by the minister a few moments ago.

He said that in his view it does not necessarily follow that failure to achieve an overall agreement does not stand in the way of a nationwide program of health insurance. Is it not correct to say that for a couple of years now the federal government has not given that as a reason for not going ahead with health insurance?

Mr. Abbott: I do not think that I want to get into a discussion on health insurance, Mr. Chairman, in the committee stage of this bill. As Mr. Ilsley made it clear, in 1946, and I made it clear in 1947, they have nothing whatever to do with any other phase of federal-provincial relations. They neither prevent nor assure the implementation of such plans as health insurance programs. There is this difference, as my hon. friend appreciates. The question of health is one which is primarily provincial and there are constitutional problems as well as financial problems involved in the implementation of a health insurance plan. I am not prepared today to enter into any discussion of what may or may not happen to health insurance in future years.

Mr. Knowles: I was not trying to involve the Minister of Finance in a discussion of health insurance but I was trying to get clear the relationship between the tax rental situation and the proposals that were made to the provinces at the conference in 1945. The minister now says that Mr. Ilsley made it clear in 1946 that the tax rental proposals were not to be regarded as on the same footing as the proposals of 1945. Nevertheless it has been a factor in the Canadian situation in the last few years that some of the measures which were proposed along with the taxation arrangements suggested in 1945 have since been implemented, and it appears to some of us that since failure to achieve an over-all arrangement did not stand in the way of universal old age security, it should not stand in the way of a nationwide program of health insurance.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read the third time?

Some hon. Members: Now.

Mr. Knowles: By leave.

Mr. Abbott moved the third reading of the bill.

Motion agreed to, bill read the third time and passed.

CANADIAN NATIONAL RAILWAYS

AUTHORIZATION TO MAKE CAPITAL EXPENDITURES IN 1952

Hon. Douglas Abbott (Minister of Finance) moved the second reading of Bill No. 346, to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system during the calendar year 1952, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company.

Mr. Jean François Pouliot (Temiscouata): Mr. Speaker, I thank my colleagues who have been kind enough to give me this opportunity to express some views about the legislation now before the house. In the first place I will read my credentials to discuss that legislation.

(Translation):

Province of Quebec,
Municipal corporation of the county of Riviere du Loup.

At a general and quarterly meeting of the municipal council of the county of Riviere du Loup, held in its ordinary place of meeting (county town) of the said county, in the city hall at Riviere du Loup on Wednesday, 11th of June, 1952, at 10 a.m., the following resolution was passed:

The members of this county council discussed the important issue of retaining in Riviere du Loup the Canadian National Railway shops, which is in the general interest of the whole county, as well as the complete overhauling of the Temiscouata railway line.

Reeve Jos. Rousseau, mayor of Saint Jean de Dieu, speaking on this subject, acquainted his fellow members of the county council with the encouraging remarks made in this connection by the Right Hon. Louis St. Laurent, Prime Minister, when waited upon by a delegation from Riviere du Loup at his office in Ottawa.

Consequently the members of the municipal council of the county of Riviere du Loup unanimously resolve to express strongly their support for the retention in Riviere du Loup of the aforementioned Canadian National Railway shops and the complete restoration of the said Temiscouata railway, because of its vital interest first of all to the city and because of its immediate benefit to the whole area.

Therefore, the council place their confidence in the Prime Minister, the Right Hon. Louis St. Laurent and are also counting upon his colleague, the Minister of Transport, Hon. Lionel Chevrier, and his other colleagues in the cabinet.

The council members would feel they were remiss if they did not approve the untiring work of our valiant and devoted M.P., Mr. J. François Pouliot, in these cases and we invite him to continue working towards the success of this matter. Carried.

Jos. Rousseau, Reeve
Paul E. Roy., sec-treas., C.M.C.

(Text):

Let us have a look at the past and the future financing of the C.N.R. Bill No. 308 and this one are the Siamese twins of high finance. The former one dealt with the indebtedness of the C.N.R. to the government and the public until December 31, 1951. The latter provides for unusual ways and means to brighten the C.N.R. picture during the calendar year 1952.

In virtue of Bill No. 308, the total indebtedness of the C.N.R. to the government and the public for loans made from 1938 to 1951 was reduced by one-half. In the second place, in consideration of that so-called release, the C.N.R. transferred to the government 736,385,405 dollar shares of preferred stock of the company bearing hypothetical interest of 4 per cent. In the third place, the initial stated value of the no-par value of the capital stock was reduced to $396,518,135.06. In the fourth place, the initial value of $1,218,642,195.27 of the 5 million shares of the capital stock of the securities trust was also reduced to $378,518,135.02. To summarize that piece of legislation, the government is holding in the first place $736 million of preferred stock bearing a problematic interest of 4 per cent; and in the second place, the company has acknowledged a moral debt of $775 million in common stock.

With operating revenues of $553 million in 1950 and $624 million in 1951, it might have been expected that the management could

have made both ends meet in 1952. I cannot understand the financial policy of the Canadian National Railways. In 1937, according to the old ways of Roman law, the debts were cancelled. One-half of them were cancelled again by legislation a few days ago. Yet here we are seeing the C.N.R. going to borrow again formidable sums of money. My fear is that they are extravagant. That is easy to see by looking at the report so extravagantly printed as compared with that modest one of the C.P.R.

Before starting to discuss the bill before the house I should like to draw your attention, Mr. Speaker, to the fact that the stenographic report of the committee on railways and shipping has been tampered with. We had to wait quite a long time for the publication of the volume No. 4 of the minutes of proceedings and evidence of the railways and shipping committee. Many changes have been made in the stenographic report. Here is one at page 222:

> Mr. Pouliot: If the gross revenue of the railway is $600 million, and if the government will buy 4 per cent preferred stock, that would be $18 million.

That figure should be corrected; it should be $24 million. To continue:

> Mr. Gordon: That is right.
> Mr. Pouliot: Then it would mean that instead of paying for a deficit of $18 million, they will be buying shares in that amount?
> Mr. Gordon: Well, now to follow up Mr. Macdonnell's question . . .

An important statement by the president of the railway has been struck out of the record at page B-22 of the stenographic report, namely "That is right." That was the answer of the president to my question and it does not appear in the printed report. I did not check all the changes; but that one shows that I was not so wrong when I asked a question about an oath being taken by the witnesses who appear before our committees.

Notwithstanding the cancellation of debts in 1937 and the most generous provisions of Bill No. 308, the C.N.R. again intends to borrow $342,890,990 in virtue of the legislation that is now before us. If the operating revenue in 1952 amounts to as much as in 1951 it means that the C.N.R. wizards will spend nearly $1 billion this year. Here are the figures: $624 million operating revenue of last year, plus $342,890,990 to be borrowed by this bill, making a total of $966,890,990. According to the above figures the operating expenses of the C.N.R. this year would amount to two and a half times those of the Canadian Pacific Railway. Last year they were $402 million. This is due in large part to the purchase of new equipment, to be paid for by borrowed money in virtue of this bill. The C.N.R. has purchased new equipment to the amount of $96 million. The C.P.R., with net earnings of nearly $27 million last year, did not dare to spend so lavishly on the purchase of new equipment.

The road and equipment property of the Canadian National Railways is assessed for more than $2 billion. The report does not mention the number nor the value of steam locomotives, but their number must be large and their actual value a real asset. Does the management intend to bury all the fine steam locomotives alive in scrap iron cemeteries? There was no inventory of the equipment in the Canadian National Railways report. The management should peruse the annual report of the Kansas City Southern Railway and of the Norfolk and Western Railway, which are, I believe, the first and second most efficient railways in North America.

It is only fair to say that where diesels are ousting steam there is waste, owing to the need for both sets of servicing shops, steam and diesel. When Mr. Gordon was appointed I wondered why he did not borrow a man from the Kansas City Southern or the Norfolk and Western. Diesel locomotives cost $100,000 more than steam locomotives. There are 24 of 1500 to 1600 horsepower in the 1953 budget. At page 74 of the minutes of proceedings and evidence Mr. Gordon said:

> For the five-year program which we have in mind. at the present trend of prices, it would cost us roughly about $95 million; and for complete dieselization of the C.N.R. it would cost us about $500 million.

At page 71 Mr. Gordon said:

> By the economies achieved we will pay off that expenditure in a period of ten years.

The five-year program was extended to ten years. At page 72 Mr. Gordon said:

> It may be twenty years or twenty-five years before we have completely dieselized, but I say that inevitably there will be no steam locomotives as time goes on.

Dieselization is the fad of the C.N.R. for the time being, although Mr. Gordon said at page 78 of the report:

> We are very interested in turbine development and are keeping closely in touch with the experiments which are going on. We are also closely watching an experiment which is going on between our research and development branch and McGill university which relates to the relative economy of oil-fired gas turbines and coal-fired gas turbines. That presents a real possibility and we are watching it with great interest.

It is possible to convert steam locomotives into turbine-propelled locomotives, and some research is being undertaken not only by McGill university but also by the department of technical surveys. It may mean that in future diesel locomotives will be outmoded and the railways will try some other locomotive. At page 92 I asked Mr. Gordon if he had attended the dinner of the engineering

institute where the main speaker was the Prime Minister. He said that he had not been there but that he had read the report of the Prime Minister's speech about atomic power. The Prime Minister said that as soon as the cold war is over we could expect atomic power to progress to the point of meeting civilian needs. Then I asked Mr. Gordon the following question:

I wonder if the management or the scientists who work for the railways and who are in touch with the atomic board of control? Are they?

Mr. Gordon: Mr. Fairweather, our vice-president in charge of research, is a very extraordinary individual and he keeps very closely in touch with all these developments. About three months ago he attempted to explain atomic power to me and he managed to make me understand it, so I can assure you that he is very closely in touch with current developments in this field.

Mr. Pouliot: This is only a preamble to what I am going to ask you. Owing to Mr. Fairweather's learning and interest in scientific matters, can you foresee the date when diesel locomotives will be replaced by locomotives which will use atomic power instead of oil?

Mr. Gordon: I am afraid that is going too far into the future for me to predict. But I will say this: that developments in the scientific world affecting the production of energy are something that we will always keep in touch with; and if it becomes a practical matter, we will have to deal with atomic energy just the same as we deal with diesel engines now. There is a constant stage of evolution, and there is no place where such developments are more apparent than in the transportation field, because energy is one of our most important factors.

Mr. Pouliot: I take it that if atomic energy proves to be practical, you will abandon all the diesel locomotives?

Mr. Gordon: It will depend on the economics of the situation; but what we have to think about here is the cost involved in scrapping existing equipment, and what savings could be made. I think that we are much too far away from the practical appreciation of the costs involved to form any intelligent judgment about the matter yet.

Mr. Pouliot: Well, do you consider it to be possible?

Mr. Gordon: I do not rule out the possibility. I do not rule out anything as being impossible.

Mr. Pouliot: You cannot say then that it is impossible?

Mr. Gordon: No, I cannot.

The Chairman: Carried.

This is to be found at pages 92 and 93 of the report. I draw your attention to the fact that Mr. Gordon has said there there is constant evolution in matters of energy. But on June 19 the hon. member for Cape Breton South (Mr. Gillis) made a most interesting statement about a United States company which claims that it has put out a good type of coal-fired engine which compared favourably with the diesel. What I appreciate is the fact that the hon. member has stated in the house that the statement by Mr. Gordon to the effect that steam locomotives are no longer built is untrue. I agree with the hon. member on that. He added that the Department of Mines and Technical Surveys was carrying on research to see if an engine using coal could not be developed to operate just as efficiently and economically as a diesel engine. He added that he thought Mr. Gordon could well have carried on his program from Toronto west to a certain point, and then could have gone rather slowly with dieselization east of Montreal. He referred to an important statement by Mr. Gordon to the effect that with that dieselization plan the Canadian National Railways would buy 280,000 tons of coal less from the maritime provinces than they do now.

I wonder if the government of Nova Scotia has been awakened to the results the miners of Nova Scotia would suffer if Mr. Gordon's ambitious plans are carried out. I congratulate the hon. member for the interest he has shown in the welfare of his constituents, and I was very much interested also to hear the comments of the hon. member for Cumberland (Mr. Black) on the same subject.

Hon. members will have seen in the press last month that in the United States a shipbuilding firm is laying this month the keel for the first American atom-powered submarine, which shows that atomic energy is a reality. Not only that, but Mr. N. R. Crump, vice-president of the Canadian Pacific Railway, stated in Vancouver on May 10:

"It is quite within the realms of possibility that within our time atomic engines may prove practicable and economical for commercial transportation", Mr. Crump said in an address to the 66th annual meeting of the Engineering Institute of Canada.

The days of the pioneer developer are not over, he said.

"The glamorous days of spanning a continent and laying rails through the Rocky Mountains may be gone, but the search for the quicker, safer and more comfortable and more economical means of transportation continues."

He found here a field for the skill, imagination and ingenuity of the engineers.

"As I visualize the future, major developments may be anticipated in all the four principal aspects of transportation—power, vehicle, way and communications.

"It is safe to say that nowhere else in the world has the engineer played so large a part in the development of a nation as in Canada."

Naturally, Mr. Gordon's dieselization program was approved by the editorial of the *Globe and Mail;* but it does not amount to much. According to those people we are in a period of transition. Why waste millions on costly experiments? I mean it is absurd to take for granted that the turbine locomotives and atomic engines will not displace the diesel locomotive in the near future.

With the money that is spent by the Canadian National Railways they publish

pamphlets. I have one which was issued this year, entitled "Quebec, La Doulce Province". At page 18, on the upper left corner, there is a beautiful photograph with the caption of Rimouski. On the upper right hand side of the page there is another picture of a settlement bearing the caption Riviere du Loup. In fact, it is the same as all that is done by the Canadian National Railways; they are not accurate. The picture of Rimouski on the left is that of Riviere du Loup. It is a very fine picture of Riviere du Loup. The picture described as Riviere du Loup is not at all that of Riviere du Loup. That is the way they do advertising in our part of the world. I ask the management if it was done on purpose; if not, the officials in their public relations office are not qualified to hold their positions.

Riviere du Loup is the place where Sir John A. Macdonald spent more than twenty summers while he was prime minister of Canada. Hon. Alexandre Taschereau, former premier of Quebec, has been living there for fifty years. At the present time the Prime Minister of Canada (Mr. St. Laurent) has chosen to have his summer place there. It is also the place where my distinguished colleagues, the Minister of Veterans Affairs (Mr. Lapointe) and the hon. member for Bellechasse (Mr. Picard) were born. All those who pass through Riviere du Loup know that it is a progressive city. I am proud to live there. It is unfortunate that the province of Quebec has always been snubbed by the Canadian National Railways management. I have been a member of parliament for many years—

Mr. Deputy Speaker: Order. I ask the hon. member for Temiscouata to indicate to the house how he relates his remarks to the principle of this bill which has to do with the authorization by parliament of the provision of moneys to meet certain capital expenditures, and to authorize the guarantee of certain securities.

Mr. Pouliot: I shall explain the situation to you. This bill is to implement the budget of the Canadian National Railways. If you will take the trouble to look at the bill you will see that the figures of the budget are included in the bill. In the budget is an enumeration of the work to be done this year by Canadian National Railways. In section 3 reference is made to additions and betterments, excluding new equipment, $23,014,271. There is also new equipment obligations incurred prior to 1952 that become due and payable in 1952, $93,647,760.

[Mr. Pouliot.]

Mr. Deputy Speaker: Perhaps I might indicate to the hon. member that when I asked him the question I had looked at the bill and saw that the capital expenditures referred to are precisely those enumerated in section 3 of the bill. That is what he should relate his remarks to, and not what the management has done in Riviere du Loup or the province of Quebec.

Mr. Pouliot: You did not let me finish my argument. I want to show that we have suffered injustices in the past and I hope they will be corrected this year with the moneys that are going to be voted for the Canadian National Railways. If I cannot lay my grievances before the house those wrongs will never be remedied. In order to obtain satisfaction this year from the Canadian National Railways I have to lay my grievances before the house. There is no other way.

When we were discussing Bill No. 308 the other day the Minister of Transport (Mr. Chevrier) raised an objection and I did not insist because that bill related to previous financing of the Canadian National Railways. This bill relates to present and future financing of the Canadian National Railways. My grievances could not have been remedied in the past. If they had, I would have no grievances to present today.

This is a matter for the future and I cannot do otherwise than to bring it before the house. I refer to the way in which from time immemorial we have been dealt with by the Canadian National Railways. I must do that in order to have these wrongs redressed this year. I hope I have made myself clear. I submit that I am perfectly in order in stating that in the past the management of the Canadian National Railways have snubbed the province of Quebec. There is no reason for that and I hope that this year they will recognize their responsibilities to my great province and do better than they have in the past. That is my argument, and I hope I have been able to convince Your Honour.

I only want to say that two great newspapers of Quebec city, *Le Soleil* and *L'Action Catholique*, support my contention that the province of Quebec has not had a fair deal from the Canadian National Railways from time immemorial. I should like to refer to an answer given by the parliamentary assistant to the Minister of Trade and Commerce (Mr. McIlraith) on May 15 to a question asked by myself as reported on page 2226 of *Hansard*. I think that proves the statement I have just made. He gives the railway

mileage per thousand inhabitants in the different provinces as follows:

Newfoundland	2·0
Prince Edward Island	2·9
Nova Scotia	2·2
New Brunswick	3·6
Quebec	1·2
Ontario	2·3
Manitoba	6·2
Saskatchewan	10·5
Alberta	6·0
British Columbia	3·3

The average is 3·0 per 1,000 inhabitants, and that shows that we have one-third of the average mileage in Canada. Then the mileage per 1,000 square miles of land area was given as follows:

Newfoundland	4·9
Prince Edward Island	131·0
Nova Scotia	67·3
New Brunswick	66·8
Quebec	9·2
Ontario	28·8
Manitoba	22·0
Saskatchewan	36·7
Alberta	22·7
British Columbia	10·8

The average is 19·8, and in this case we have less than one-half the average. Surely we have reason for complaint. I brought up this matter before the committee on railways, canals and telegraph lines, and I should like to refer to a question which I put to vice-president Fairweather of the Canadian National Railways on May 14, as follows:

> Will you please tell me what is the mileage of the railways in British Columbia compared to the province of Quebec by thousand people?

Mr. Fairweather replied as follows:

> Well, I am sorry, sir, I cannot give that offhand; I would be pleased to figure it out.

That information should be on the desk of all the officials of the Canadian National and the Canadian Pacific. On the same date, as reported on page 125 of the proceedings of the committee I said:

> I will repeat before the minister what I have said in the first place, it is that the Canadian National Railways are snubbing the province of Quebec, they are giving us the cold shoulder and they treat us like country cousins.

I am most thankful to one of the brightest members of the press gallery, Mr. Douglas How, who wrote a most excellent dispatch. It was sent by the Canadian Press to all the papers that form part of that organization. In the Montreal *Gazette* of May 15 the article was headed "C.N.R. snubs Quebec, B. C. is unfair, Temiscouata M.P. tells Commons." The Trail *Times* published the same story on the same day under the heading, "C.N.R. Snubbing Quebec, B.C. unfair, Pouliot." The Montreal *Star* had this headline: "Pouliot back in old form at C.N.R. Kitimat hearing." *Le Droit* of Ottawa headed their article this way: "Les chemins de fer nationaux lèvent le nez sur le Québec, déclare Pouliot". The Fort William *Times-Journal* had this heading: "Fiery Pouliot claims C.N. unfair to Quebec." And so on and so on. I will not mention any more of them.

To show you how we are dealt with by the Canadian National Railways, there were day labourers who shovelled snow in the winter months, particularly in February, and their unemployment insurance books were sent by the railway to Campbellton. I tried to get them back. They could not collect any insurance, and my last information was that at Moncton they had 8,000 books of unemployed people.

Mr. Deputy Speaker: I must inform the hon. member that he has exhausted his time.

Mr. Pouliot: As I spoke immediately after the minister I am entitled to more than forty minutes.

Mr. Deputy Speaker: Order. The hon. member claims that because he spoke immediately after the mover he is entitled to more than forty minutes. That is by virtue of standing order 37 which reads as follows:

> No member, except the prime minister and the leader of the opposition, or a minister moving a government order and the member speaking in reply immediately after such minister, or a member making a motion of "no confidence" in the government and a minister replying thereto, shall speak for more than forty minutes at a time in any debate.

The general rule is that no member shall speak for more than forty minutes at a time in any debate except the Prime Minister, the leader of the opposition—

Mr. Pouliot: I am not the Prime Minister.

Mr. Deputy Speaker: —or a minister moving a government order and the member speaking in reply immediately after such minister.

Mr. Pouliot: Yes.

Mr. Deputy Speaker: I presume those two lines are the ones which, in the opinion of the hon. member, apply to his case at this time. He is referring to a government order having been moved by a minister or someone on his behalf and the member, in this instance the hon. member for Temiscouata, who speaks in reply immediately after such minister. May I tell the hon. member that at first sight in my view the word "reply" refers to an hon. member sitting on the opposite side.

Mr. Pouliot: No, no.

Canadian National Railways

Mr. Deputy Speaker: Order. The hon. member may give his views after I am finished but at the moment I would ask him to listen to what I have to say. In my view the word "reply" has reference to the reply made by a representative of the opposition. In this case a government order was moved and no speeches were made. It may be argued that, the mover having risen in his place and having agreed to the chair putting the motion that the bill be read a second time, it is to be understood therefrom that he has said, "I so move". I would ask the hon. member to look at citation 294 on page 114 of the third edition of Beauchesne and especially at citation 288 on page 113 which reads as follows:

> The member who makes a motion may give the name of his seconder who will, if necessary, lift his hat as evidence that he has intimated his consent, and the seconder will then be allowed to speak on the question. But if the seconder should rise and say only a word or two,—for instance "that he seconds the motion,"—he is precluded from again addressing the house.

In this case the mover, the Minister of Finance, did not say a single word. There were no speeches. Therefore how can any other hon. member offer a reply? If we are to understand from the chair putting the motion that the minister or someone on his behalf has said, "I so move" and that therefore he has spoken, then a member may stand up and offer a reply. In my view that reply, according to standing order 37, is one that is offered by a member of the opposition and not by a member on the government side. I would also point out that the last paragraph of citation 294 reads as follows:

> If a member who moves an order of the day should rise and say only a word or two,—for instance, "that he moves the order,"—he is precluded from again addressing the house; except if the order of the day be a substantive motion or the second reading of a bill, in which case he will be allowed a reply.

That provision takes care of the reply that can be made by the minister or someone on his behalf who has moved a government order. The point on which I should like to hear the hon. member is whether in his view he thinks the minister has spoken merely by consenting that the motion for second reading be put by the chair, and that therefore a reply can be offered. In the second place, if a reply can be made, then according to standing order 37 should it not be made by a representative of the opposition and not by a member sitting on the government side?

Mr. Pouliot: The rule does not say that the minister shall make a two-hour speech in moving second reading of a bill which has to be replied to. It was the Minister of Finance who moved second reading. He chose not to speak in explanation of the bill, which was not asked of him, and I rose to speak immediately after the motion was put. If I had not spoken perhaps the motion would have carried, but I will tell you that I appreciate the courtesy of the hon. members in the opposition groups who have given me the opportunity to speak immediately after the motion was put. More than that, I will tell you that the standing order makes no difference between government supporters and opposition members. We are all alike in the house and the same rule applies to opposition members as to government members. In addition, I do not know anything about the book from which you have quoted except the standing orders of the house. One of the authors of these compendiums told me one day that I had never quoted him in the house. I said, "Sir, it is for a very good reason. I have never read your book."

The rules of the house should be interpreted with fairness in order to give members the opportunity to say what they have to say. I submit it is not necessary for a member to make a long speech to afford the opportunity to the member who speaks after the motion is put to speak for forty minutes or more. I am not asking for the indulgence of the house. If you do not intend to reconsider your decision in the light of what I have said I will ask for a vote of the house, and even if I am alone I will not be displeased. I must tell you that I am greatly surprised at the interpretation you have given in your ruling, and I hope you will reconsider your decision.

Mr. Deputy Speaker: It does not happen very often that a member offering to reply to the mover of a government order is on the same side as the government. That is what struck me at first.

I am inclined to agree with the hon. member that the mover of a government order does not have to make a two-hour speech or a forty-minute speech in order to move the order. It is understood that when the motion is put from the chair the mover has said, "I so move". The minister may stand up and indicate to the chair by taking a bow that he does so move and one must understand that he has so moved. From that point on the Speaker puts the motion and an hon. member may stand up and offer the reply referred to in standing order 37. That is the interpretation I am inclined at this moment to give to the standing order.

As I said, the point has not occurred before and it is difficult for me to decide. The hon. member for Temiscouata (Mr. Pouliot) will understand that I wish to be as fair as I can

under the circumstances to him or to any other hon. member. Perhaps I could take advantage of a practice which is very well recognized in this house; that when there is a point about which the Speaker is doubtful he may ask opinions of other experienced members of the house. I would appreciate it, therefore, if at this moment other experienced members of the house would comment on the interpretation I have given, and also on the views expressed by the hon. member for Temiscouata, about the meaning of the word "reply" and who should be entitled to take advantage of standing order No. 37 in the case of a reply. If no hon. members wish to offer opinions at this time I will have to make my own interpretation and decide now, and there would always be the recourse of appealing my ruling.

Mr. Drew: I did not intend to make any observations in regard to the point raised. I do not recall it having been raised before and the only reason I rise now is because a decision on one occasion, as we have discovered, is apt to become a precedent for another.

As I conceive the rules in regard to debate they are related to the fact that under our system there is on one side the government and on the other side the opposition. As I understand the rules, when they use the term "reply" in response to a statement of the Prime Minister or a member of the government it is a reply by the opposite side of the house. With very warm regard for the hon. member for Temiscouata I nevertheless did not wish to have my silence taken as indicating that I was willing to accept the proposition that he is entitled to reply on behalf of the opposition. I am not saying that facetiously; I think that would be the result of such an interpretation of the rule as he puts forward. I think the very fact that the statement is made that the minister presenting the case for the government may exceed the time limit and that it may be exceeded by the member immediately following him in reply is related to our system of having two sides in this house. I do submit, with respect for the views of the hon. member who has sat here for so long, that the reply in this case is obviously intended to refer to a reply by some member of the opposition speaking in reply to a member of the government.

Mr. Knowles: Perhaps I might say a word, Mr. Speaker, on the interesting point raised by the hon. member for Temiscouata and on which you, sir, have made certain comments. With great respect, I am not so sure in my own mind that it matters whether or not the minister moving the order makes a speech. I cannot see that that would have any bearing on whether the member speaking in reply immediately after is entitled to the extra time allotted under standing order 37. If a ruling were to be made that because the minister had not made a speech therefore the first opposition member could not have additional time, we would get into the situation where the minister could easily prevent a lengthy speech from the opposition side of the house simply by making no speech at all when he moved the order. It seems to me it has to be taken for granted that the minister moving the order, even if he does not avail himself of the right to speak, has spoken by the fact that he has made the motion.

I offer that comment with respect, sir, with regard to part of what Your Honour has said. Obviously I am in disagreement with that part of what you said.

Mr. Deputy Speaker: I have already agreed to that.

Mr. Knowles: Then we are making headway. The point raised by the hon. member for Temiscouata, as to whether he comes under the provision of standing order 37 wherein it refers to a member speaking in reply immediately thereafter, does raise a difficulty. If he, a member on the government side supporting the minister and supporting the bill, is to be regarded as a member speaking in reply, and if such a ruling were made, then in future if the Speaker in the chair at the time happened to see a government supporter as the second speaker, merely because an opposition member was a little slow in getting to his feet, we would have the result that two long speeches could be made on the government side, but no member on the opposition side except the leader of the opposition would have the right set out in standing order 37. That is one result of such an interpretation which would have to be considered. Obviously that would be unfair.

The other point I wish to draw to your attention is one that I have looked up since the matter arose. As a matter of fact I was not sure I would get it in time to be able to refer to it before you ruled; but in looking in Beauchesne's third edition, in the annotations following standing order 37, one finds in citation 219 a reference to a discussion which although not exactly the same does bear on the point now before us. It occurred in the House of Commons in 1929. I have sent to the library for the volume of *Journals* referred to in that citation and I have been looking through pages 394, 395 and 396 as suggested by the citation.

I find on that occasion the order before the house was a motion to go into committee

of supply. It had been moved by Mr. Robb and the first speaker was the then member for Winnipeg North Centre, my predecessor, the late Mr. Woodsworth. It appears that the Speaker on that occasion had stopped Mr. Woodsworth at the end of his forty minutes. He was asked, however, to reconsider his ruling and two days later he gave a revised ruling. The incident itself occurred on Wednesday, May 8, and the revised ruling of the Speaker of the day was given on May 10, 1929. It is a lengthy ruling which I shall not quote in full, and I want to make it perfectly clear in drawing attention to this that the situation was a little different because it was with respect to a motion to go into supply. Nevertheless in the ruling of the Speaker of that day there is this key sentence:

> Therefore, Mr. Woodsworth, in order to speak longer than forty minutes, was bound to argue against Mr. Robb's motion.

There may be other rulings, but that is the only one I have been able to find and it certainly gives guidance to us today. The Speaker was attempting to interpret the meaning of the words "in reply". In fact a little earlier he said:

> I have since given the most serious consideration to the interpretation of this standing order and as I said the whole question hinges on the meaning of the words "in reply" as they appear therein.

Your Honour today said the same thing. Mr. Speaker Lemieux went on to say this:

> What is a reply? According to the King's English dictionary it is:—
>
> "That which is said or written in answer to what is said or written by another; rejoinder; response."
>
> Therefore, Mr. Woodsworth, in order to speak longer than forty minutes, was bound to argue against Mr. Robb's motion.

Then he went on to point out that since Mr. Woodsworth was opposed to the motion for Mr. Speaker to leave the chair for the house to go into committee of supply until he had had an opportunity to air the grievances which Mr. Woodsworth had in mind at that time, therefore he was opposing the motion. He thus qualified as the first member following the minister and speaking in reply thereto, in the sense that he was opposed to Mr. Robb's motion. On that basis Mr. Speaker Lemieux reversed his decision of May 8 and decided that under those circumstances Mr. Woodsworth should have been allowed to speak longer than forty minutes.

I leave it to you, Mr. Speaker, as to whether or not the provision should be interpreted any wider than that. Mr. Speaker Lemieux did not have before him a situation such as we have today where the first member following the minister is a government supporter. He did say, however, that Mr. Woodsworth was speaking in opposition to Mr. Robb's motion; therefore he was speaking in reply and had the right to speak for more than forty minutes. The question Your Honour has to decide is whether the speech by the hon. member for Temiscouata can be construed as a speech in reply within the meaning of standing order 37. The ruling to be made seems obvious, but I leave it to Your Honour.

Mr. Deputy Speaker: Before I go any further, perhaps I might ask the hon. member for Temiscouata if he intends to vote against the motion for second reading of this bill.

Mr. Pouliot: Mr. Speaker, I will express my opinion but I will accept no direction from anyone. I am a supporter of the minister, but I feel that this legislation should not be approved in toto. There is no ruling of a previous Speaker that will force me to say things that I do not want to say. My speech is one which is critical of the management of the Canadian National Railways to which we are lending more money. I am not going to say anything against the minister, his colleagues or the government; but I complain of the management of the Canadian National Railways. Is that enough, sir?

Mr. Deputy Speaker: I asked the hon. member that question merely in order to make as sure as possible that the ruling that I am about to give will be fair. The House of Commons is composed of the government and the opposition and both have rights and functions. It seems to me that the standing order means the member of the opposition who, immediately after the minister who has moved a government order, speaks in reply, in criticism of the measure that has been moved. It seems to me that he is the one who is meant by the standing order.

May I consider for a moment or two the precedent that was quoted to us a moment ago by the hon. member for Winnipeg North Centre (Mr. Knowles). It appears that Mr. Speaker Lemieux, when he gave his own interpretation of this standing order and the words "in reply", understood that an hon. member, no matter what side of the house he may be on, who stands up immediately after the minister and argues against the measure that has been moved by the minister, within the terms of standing order 37 is allowed to speak for more than forty minutes.

From the remarks made by the hon. member for Temiscouata I did not gather that he was arguing against the principle of this bill. He said he was airing grievances and

that he had complaints against the management of the C.N.R.; but at no time in his speech could I discover that he was arguing against the principle of this bill and therefore arguing against its second reading. That is why I asked him that question—it was to enlighten me as to the trend of his argument—whether he was arguing against the second reading of this bill. Because if it was the case that he was arguing against the second reading of the bill, then he may be within the terms of the interpretation given by Speaker Lemieux and be entitled to speak for more than forty minutes.

Mr. Pouliot: Mr. Speaker, on a question of privilege I will give you some confidential information. Before rising to speak after the motion was made, I went to see the financial critic of the official opposition, the hon. member for Greenwood (Mr. Macdonnell), and asked him whether he was going to speak, because I wanted to speak for more than forty minutes. The hon. member for Winnipeg North Centre (Mr. Knowles) was not in his seat but I spoke to his leader who had no objection to my suggestion. I spoke to the hon. member for Cape Breton South (Mr. Gillis) who said he did not intend to speak. I also saw the hon. member for Peace River (Mr. Low). I asked him if he intended to speak and he said no. After all that, I rose.

I do not want to deprive the opposition of any right. I acted as a gentleman; I saw them and I asked them what they wanted to do. I would have asked the hon. member for Winnipeg North Centre if he had been in his seat, but he was not there. I asked his leader and one of his colleagues, and the leaders of other parties. I did not speak to the leader of the opposition (Mr. Drew). I do not know whether or not he was here. However, I spoke to the hon. member for Greenwood, as financial critic, and I asked him if he would allow me to rise after the motion was made. Now, sir, that is that.

I sat under Mr. Speaker Lemieux and I know where his rulings were manufactured. It is a most absurd thing to suggest that one should have to denounce the government in order to enjoy the liberties that we have under the standing orders of the house.

Mr. Deputy Speaker: Order. Perhaps I should ask the hon. member not to indicate that anyone has suggested to him that he should vote against the government. The hon. member will understand that if the Speaker were to give rulings without at any time asking hon. members to provide any explanation of their views, perhaps the hon. member would be the first one to object. Because I have asked the hon. member for his views on a certain point in order to make the fairest possible ruling, I hope he will not suggest that there has been any indication given to him by me, at least, that he should vote against the government. I should like to have this point made clear. I think I have heard sufficient, and I am prepared to give a ruling.

Mr. Knowles: Before you rule, Mr. Speaker—

Some hon. Members: Sit down.

Mr. Deputy Speaker: The hon. member for Winnipeg North Centre has the floor.

Mr. Knowles: On a point of privilege, Mr. Speaker, I should like to say to the hon. member for Temiscouata that if he had approached me, as he said he approached the others, I might readily have agreed to unanimous consent being given for such time as he might feel he required; but I am sure he will agree with me that there is a wide difference between getting the consent of the house for a specific occasion and having a ruling made that can have serious consequences for the future. That is the point at issue at this time.

Mr. Deputy Speaker: In my opinion a reply can be offered by any hon. member in this house provided that, by debating the measure which is before the house, he has shown that he is arguing against it. I do not take that from the speech of the hon. member, and therefore he was not speaking "in reply" within the meaning of standing order 37, as I understand it and as set out in the ruling of Mr. Speaker Lemieux which is to be found in the *Journals* of the house, volume 66, page 394. The hon. member having exhausted his forty minutes therefore cannot speak any longer.

Hon. Lionel Chevrier (Minister of Transport): I should like to rise at this point to answer some of the statements that have been made by the hon. member for Temiscouata. I am sure he will understand it is not because of the high regard that I have for him that I do rise at this point—

Mr. Knowles: Or because of the lack of high regard.

Mr. Chevrier: Or rather because of the lack of high regard, as the hon. member has just pointed out.

When we were considering another measure the other day the hon. member made certain statements which I did not take too seriously because I did not think they were made seriously, and I made no reply. Today these charges have been repeated, and I

feel it is my duty and my responsibility, Mr. Speaker, to say something on this occasion. I will not repeat what was said in an earlier debate because I have no right to do so. Neither can I refer to what took place earlier in this debate because unfortunately I was not in the house. But there seems to be an opinion in my hon. friend's mind, rightly or wrongly, that certain questions answered by the Canadian National Railways are dissociated, to some extent, from the minister. I must say to my hon. friend, with all respect again to him, that I must take the responsibility in this house for any of the answers that are given by the Canadian National Railways. Of course it is his privilege to criticize those answers, as it is his privilege to criticize the management on this occasion. But the questions which have been answered by the management of the Canadian National Railways, as is their practice, are passed upon by me, and I must take responsibility for them. I must also accept my share of any criticism that is levelled at the management.

Then there seems to be a feeling in my hon. friend's mind that the Canadian National Railways has discriminated in some form or other against the province of Quebec. May I say to him, again with the greatest courtesy, that that statement is not factual. That statement is inaccurate, and I have reasons for saying that. It is not the policy of the management of the Canadian National Railways to discriminate against any province of the country. On the contrary, it is their policy and their responsibility to manage the affairs of the railway in the best interests of the system and in as equitable a manner as can be done for the benefit of the country. I do not think it is any criterion of discrimination to say there are fewer miles of railway in one province than in another. That of itself is not evidence of discrimination, because if one looks at it from another angle, the province of Quebec has benefited largely from the operations of the Canadian National Railways not only because the head office of that company is in that province, as is the head office of a subsidiary of the company, Trans-Canada Air Lines, but also because of large capital expenditures which have been made all across the country, of which the province of Quebec has received an equitable share.

With reference to the Temiscouata railway, at the last session of parliament the Canadian National Railways took over that railway in line with recommendations made by the hon. member for Temiscouata in this house and elsewhere. They have sought to bring the level of that line up to the level of the Canadian National line. They may not have succeeded in doing that to the extent my hon. friend would have wished, but to a large extent the level of employment, the rate of wages and many other conditions that exist with reference to Canadian National employees generally were made to apply to the employees of the Temiscouata railway. Therefore I say to my hon. friend in as friendly a fashion as I can that while he has the right, as has any other hon. member, to complain about the management of the Canadian National Railways, still I think the management—in fact I am positive—has in no way discriminated against the province of Quebec.

I have confidence in the management of the railway and so has the government. I can only say it is true at times the management do make mistakes from time to time; they are not infallible.

Mr. Pouliot: Hear, hear.

Mr. Chevrier: And they may have made the mistake—which I am not prepared to admit—that my hon. friend had in mind in the committee; but I say that the charge that there has been discrimination against one province in particular is certainly not true. I repeat that the management of the Canadian National Railways, in my humble opinion, are doing an excellent job and I trust they shall continue to do so.

Mr. J. M. Macdonnell (Greenwood): Most of what I want to say can be said in committee, Mr. Speaker. There are just one or two brief comments I wish to make. I do find that these figures give an indication which is somewhat inconsistent with some of the conversation which was had at the time the recapitalization bill was before us earlier. I shall refer to that more in detail. Having given that indication may I say that so far as I am concerned we may now go into committee.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Beaudoin in the chair.

Section 1 agreed to.

On section 2—*Definitions.*

Mr. Pouliot: This clause gives a definition of "national company" and "national railway system". What is important for hon. members to realize is precisely what the Minister of Transport has said at page 44 of the report. Referring to the members of the board of directors he said:

> They are appointed by the governor in council to administer the affairs of the railway.

If during the sitting of the committee of the whole, or later on third reading, I refer to the

report it will be the report of the railways and shipping committee. Some people are under the impression that the Canadian National company is the management. In the report at page 2 there are pictures of the various officials of the railways. But they are not the company; they are the management. The only member of the company is the president, who has been appointed chairman of the board. It is not in his capacity as president of the railways but in his capacity as chairman of the board that he is a member of the national company.

I want that to be mentioned at the outset. It is important to realize that the directors who have been appointed by order in council form the national company. They are the Canadian National Railways. If action is taken against the railways they are the ones who are sued, as a body. That is all I have to say for the time being.

Section agreed to.

On section 3—*Capital expenditures authorized.*

Mr. Macdonnell (Greenwood): In connection with the figure at the top of page 2, where it makes reference to $93,647,760, I wish to refer to what was said in the house by the parliamentary assistant to the Minister of Finance, as it is reported at page 3356 of *Hansard*. He gave first of all the two figures which appear at the bottom of page 1 in the bill. Then he goes on to give this figure of $93,647,760 for new equipment ordered prior to 1952. That, I think, is worked out by taking the votes in the two statutes of last year, computing the amount spent and then revoting the balance.

If I am correct in that I should like to pass on to a further comment. I have looked at the statutes of the first and second sessions of 1951, and I find authority given there to spend these amounts. There is no time limit put upon it, and I assume the very fact that this sum of $93,647,760 is put in here, some $66 million of which is a revote, is on the assumption that the legal position is considered to be that this authority has now lapsed and there must be a revote. I wish to be satisfied on that point, because I find nothing in the statutes setting it out. If that is so, I wish to be satisfied that there is no need of stating that these other authorities are at an end. Do I make myself clear?

Mr. Benidickson: Yes. $66 million is a revote. But if my hon. friend will read the statement made at the resolution stage by the parliamentary assistant to the Minister of Finance he will recall that the parliamentary assistant pointed out then that it was the legal opinion of the justice officials that these grants had not lapsed, but that they thought it was desirable to revamp the style of the annual financing act so that parliament would be in complete control again of everything outstanding relating to capital expenditures. We did have tag ends outstanding from the previous year. That is the reason something new is being done this year, to the extent that we are revoting items of the refinancing acts of last year which are unspent.

Mr. Macdonnell (Greenwood): I am still left in doubt. We call it a revote, but actually is it not an additional vote? There is nothing in the bill to indicate that it is a revote. So far as the bill is concerned we now have an authority which includes $64 million, or thereabouts, of what was authorized last year. Does the parliamentary assistant agree with that?

Mr. Benidickson: Yes.

Mr. Macdonnell (Greenwood): If that is so, are we not proceeding in a rather loose manner if, with the understanding in our minds that it is a revote, we actually give authority, which is in fact an additional authority, and thereby have legally available an additional amount of $64 million? If that is so—and I do not want to be arguing at length about a technicality—this would not seem to be a desirable way to legislate.

Mr. Benidickson: The hon. member for Greenwood will recall that last year two acts were found necessary. There was a new departure at that time from some of the previous legislative patterns, in that the supplies and delivery situation was very uncertain in respect of equipment of the magnitude of railway equipment. In consequence parliament was asked last year to authorize the railways to make commitments for equipment that it was not expected would be delivered within the legislative year.

Mr. Macdonnell (Greenwood): That was in June a year ago.

Mr. Benidickson: Yes. Some of that equipment has not been delivered. Rather than fail to remind parliament—and this is a reminder to parliament, as it is set out in the measure—that this commitment is still outstanding, and that there are deliveries under it still to be made, parliament is being given an opportunity, by a restatement of these amounts of money, to make a revote, just as it would revote items in the estimates.

Mr. Macdonnell (Greenwood): I appreciate that the parliamentary assistant has stated the position exactly. But I am still left with this question: Should there not be a section in the bill which says that authority is cancelled in respect of the amounts not used as set out in the two bills of last year? As it now stands, when we pass this bill we will

have $64 million extra. If I am correct in this, why do we not say that the preceding authority is cancelled?

Mr. Benidickson: Does not subsection 6 cover the point? It says:

> No amount shall be spent for a purpose mentioned in this section in excess of the amount authorized by this section in respect of that purpose.

Then again, is it not sound law that a statute of this year would certainly succeed and have greater authority as well as replacement of a statute of last year dealing with the same items?

Mr. Macdonnell (Greenwood): I must say I would have thought, in connection with the statement last made by the parliamentary assistant, that if in fact we legislate for an additional sum of $64 million, without saying anything about what was done last year, we will have authorized $64 million additional. I note that subsection 6 says:

> No amount shall be spent for a purpose mentioned in this section in excess of the amount authorized by this section in respect of that purpose.

Without setting myself up as an authority like the Department of Justice, I must say that argument does not sound very convincing to me. I do suggest and suggest strongly that in view of what the parliamentary assistant has said to the effect that the Department of Justice consider the authority does not lapse, there should be something in this measure which would have the effect of cancellation. After all, this will become more or less a pattern, to the extent that we are beginning something new.

I realize there are those in the house more competent than I am to express legal opinions, and I would be very interested to know if there are any in the house who agree or disagree with me. As I understand the present position we now have a stronger statement than I made first, in that the Department of Justice say that these do not lapse, and therefore that $64 million of what we are being asked to authorize is a duplication of authorities given last year. That is not good legislation, in my opinion, and I think it could be easily cured by an apt clause saying that this authority cancels the authority for $64 million contained in the statutes, I think it is chapter 45 of the first session and chapter 9 of the second session of 1951. I suggest that as a sensible way of dealing with it. Let me say that I have spelled out the figures with some difficulty and I think I now understand the situation. I do put forward that suggestion as to the form of the legislation.

[Mr. Macdonnell (Greenwood).]

Mr. Green: Could there not be included wording to the effect that a certain figure is a revote in the same way that those words are used in the ordinary estimates?

Mr. Benidickson: I think the language of the bill in that respect is quite clear. It says that the appropriation was not taken advantage of.

Mr. Green: What section is the parliamentary assistant referring to?

Mr. Benidickson: Section 3. All the individual items are there. Take the item for additions and betterments; that is a revote, and I think that is clear from the language. It says:

> Additions and betterments (excluding new equipment) obligations incurred prior to 1952 that become due and payable in 1952.

In other words those are not current budget items. Then the matter raised by the hon. member for Greenwood is covered as follows:

> New equipment.
> Obligations incurred prior to 1952 that become due and payable in 1952.

Those now require financing. They are distinct from the other items. They are within the 1952 budget; they are described as obligations incurred in 1952 that become due and payable in 1952.

Mr. Macdonnell (Greenwood): I am not afraid that this money will be issued twice. I am simply trying to suggest a workmanlike bill by making it clear that the amount of the appropriation not used last year is cancelled. If the parliamentary assistant does not want to do that, then as far as I am concerned I would be prepared to let the thing go with the request that this matter be brought to the attention of the Department of Justice to consider whether such a cancellation clause should be used in the future.

Mr. Benidickson: This bill has had the attention of justice and the clause which I quoted I think is clear for that purpose. I certainly assure my hon. friend it will be reconsidered for another year.

Mr. Pouliot: Mr. Chairman, I listened to what the Minister of Transport said a moment ago about the way the province of Quebec has been dealt with by the management of the Canadian National Railways. I want to tell him that I have always drawn a distinction between himself and the management of the railroad company. I make other distinctions as well. What I complain of is the way eastern Quebec is dealt with by the Moncton officials. The best answer I could make to what the minister has said is to refer to a letter signed by nine members of parliament, all supporters of the government,

who have asked for an extension of the central region to the Matapedia river including the Gaspe peninsula. Each one of those members was dissatisfied with the management. They are all supporters of the government and no one was forced to speak against the government. They all signed that petition with enthusiasm in order to get rid of the control by Moncton over us.

Mr. Brooks: Where did they come from?

Mr. Pouliot: From Levis to Gaspe. I should like to tell the minister that when I complained of bigotry on behalf of the family compact of Moncton C.N.R. officials there were big headlines in the Moncton *Times-Transcript* and the Saint John *Telegraph-Journal*. Neither of those papers came to the defence of those men in its editorial. I hope the day will come when the whole of the province of Quebec will be under the central region. As long as we are under the control of Moncton we will always have trouble. After I made my complaint I received the following letter from Moncton under date of May 2:

> You certainly hit the nail on the head when you called the C.N.R. Moncton railway officials bigots. The great majority are, and it is time someone should take action and see that a certain minority of the employees receive equal rights and promotion.

I am considerate and conciliatory of everyone, but I do want my people to be respected and dealt with fairly. I should like to refer to certain questions which I asked and which had reference to additions and betterments and new equipment which are covered by this section. Riviere du Loup is one of the old terminals of the Grand Trunk Railway. There were railroad shops there before there were shops at Moncton or anywhere else. Much of the difficulty we suffered was remedied by the present government, by the Prime Minister and the Minister of Transport. The minister must have noticed that in the first part of my speech on second reading I quoted verbatim a resolution passed by the county council of Riviere du Loup expressing gratification at what had been done by the Prime Minister and the Minister of Transport. Here are questions I put to the management of the railway and the answers I received. You will see that this is not the way members of parliament should be answered when they put questions on the order paper.

1. What are the names and values of each of the pieces of machinery which were returned from the workshops of the Canadian National Railways at St. Malo, Quebec city, to Riviere du Loup?

Answer: Following the acquisition of St. Malo shop by the Department of National Defence in 1940 certain machinery was transferred to Riviere du Loup. From current records it is not possible to give the detailed information requested.

2. When did such transfer take place?

Answer: See answer to No. 1.

3. What are the names and the respective occupations of the employees of the Canadian National Railways who were transferred back from St. Malo, Quebec city, to Riviere du Loup?

Answer: Current records do not contain the information necessary to answer this question.

4. On what date did each of said transfers take place?

Answer: See answer to No. 3.

5. What are the names and the values of each one of the pieces of machinery which were at the Canadian National Railways shops at Riviere du Loup (a) immediately after the transfer above referred to in paragraph 1 took place; (b) on May 1, 1952?

Answer: It is not the practice of the company to maintain historical records that would facilitate an answer to the first part of this question. Information as to present values is not available.

The minister would never have made such an answer. He is too well educated for that. Here is another one:

1. Since 1923, what has been the total yearly amount of (a) advances and loans made; (b) guarantees given, by the government to the Canadian National Railways?

Answer: Financing for the Canadian National Railways has in each year since 1923 received consideration and approval by the government and is recorded in the statutes.

That is very bold. We are left to do our own work. We have no staff except the help of a stenographer. I went to the library and wanted some co-operation to get that information. No information was given. I continue:

2. Since that date, what amount of the debt of the Canadian National Railways has been written off by the Canadian government?

Answer: See answer to No. 1.

3. Since 1923, what amounts have been spent in each province by the Canadian National (a) for the construction, maintenance and repair of the railway; (b) as capital expenditure for the construction, extension and installation of machinery in each of the erecting shops of the Canadian National?

Answer: (a) The accounts of the Canadian National Railways are not maintained in a way which makes it possible to segregate expenditures in the tabulation requested.

They only have to do the work. It is possible for them to do that.

(b) To endeavour to give this information would involve an examination of accounting records for the past thirty years and this could not be undertaken by the existing staff of the railway.

Imagine how bold they are. In the future I trust the minister will tell them to do otherwise when they answer questions. As a matter of fact they did, and I voice my appreciation to him. I received another answer in the form of a sessional paper of June 16 and it was very different. We made some headway with it. We have started to learn what the management is doing with the money voted by parliament. It is time to know what is being done. The question was as follows:

1. How many steam locomotives were repaired during 1951 in each of the Canadian National erecting shops?

Canadian National Railways

Answer: The total number of steam locomotives repaired in all shops in Canada in 1951 was as follows:

Shop	No. Repaired
Moncton, N.B.	183
Riviere du Loup, Que.	57
Montreal, Que.	318
Stratford, Ont.	313
Transcona, Man.	253
Fort Rouge, Man.	133
Edmonton, Alta.	35
Port Mann, B.C.	28
Total	1,320

This information gives me at the same time an approximate idea of the number of locomotives owned by Canadian National Railways, which is mentioned nowhere in their report. They give a lump sum for the equipment but the number of locomotives is not mentioned as it is in the reports of so many railways. Last year there were 57 locomotives repaired at Riviere du Loup. I thank the minister for that information. Then there was this question:

3. Since January 1, 1952, how many steam locomotives have been sent to each erecting shop for repairs?

Answer: The number of steam locomotives sent to each erecting shop for repairs from January 1 to May 31 is as follows:

Shop	No. repaired Jan. 1 to May 31	Undergoing and waiting May 31
Moncton, N.B.	95	27
Riviere du Loup, Que.	26	6
Montreal, Que.	148	46
Stratford, Ont.	142	38
Transcona, Man.	110	36
Fort Rouge, Man.	46	35
Edmonton, Alta.	33	5
Port Mann, B.C.	16	5
Total	616	198

Then there was also this question:

5. During the period—

The period is April 15 to May 15, 1952.

—how many steam locomotives were sent to each of the Canadian National erecting shops for repairs?

Answer: Between April 15 and May 15, 1952, locomotives were sent to various shops as indicated below:

Shop	
Moncton, N.B.	25
Riviere du Loup, Que. (including 1 rotary plow)	3
Montreal, Que.	39
Stratford, Ont.	23
Transcona, Man.	18
Fort Rouge, Man.	6
Edmonton, Alta.	9
Port Mann, B.C.	5
Total	128

Of that total Riviere du Loup had 3. Two others have come since, but the locomotives that were sent to Riviere du Loup were for repair No. 5, the most minor type of repair. It is just a matter of adjusting something, and these repairs did not provide enough work. I think that in a country like ours the shops of the Canadian National Railways should be given work in equal proportion. I understand that the Point St. Charles shops are larger than ours but there is no reason why the program which was prepared last year for the current year should not be put into effect on that basis. We should have had 66 locomotives to repair at Riviere du Loup, and there is no reason why we should not have them. I am ready to co-operate with the minister to the utmost, even to sacrificing the right to speak. I might have spoken against him if I had been allowed to speak, but I am not that type. I give him credit for what he does, but I continue to maintain my distinction between him and the president of the railway, and between him and the Moncton officials.

If I were to compare him to the Moncton officials it would be a gross insult to the minister. I hope the day is near when we of eastern Quebec will be on the same footing as the rest of the population of the province of Quebec and will be together, instead of being under the domination of Moncton. I rely on the minister. He said he had helped the employees of the Temiscouata railway. Without his help and without the help of the Prime Minister we could not have gone anywhere. I hope they will continue in that good way and that they will find the right words, words of persuasion or of condemnation of those concerned, in order that there may be some progress in work that is going to be sent to Riviere du Loup. How is it that Riviere du Loup is left aside as a country cousin when there are shops that are no more important than Riviere du Loup—I mean those in Edmonton and Port Mann—which are maintained and given plenty of work all the time? It cannot go on like that.

The president stated before the committee that he was all for centralization, but how is it that there are two shops together at Transcona and Fort Rouge—within a radius of a few miles—and the Canadian Pacific Railway shop is close by? There are three railway shops within a very small radius while down home it is almost impossible to get anything.

Now, I rely on the Minister of Transport, I rely on the Minister of Veterans Affairs who was born in Riviere du Loup, on the Prime Minister who lives in Riviere du Loup, and on all our friends to see to it that Riviere du Loup is given by the Canadian National Railways a fair amount of work at present and in the future as it has been in the past. When I complain of the manner in which my fellow citizens of the province

of Quebec have been treated I mention the Moncton officials who curse the French Canadians, and I know they are not acting under the advisement of the minister when they do so.

Therefore, sir, I come to a happy conclusion. I could have finished my speech in ten or fifteen minutes on second reading but I am satisfied to have said what I wanted to say for the defence of my people. I protest against the useless expenditure of the Canadian National Railways. When I learned of the appointment of Mr. Gordon, having seen his signature on a dollar bill, I said, "Here is a man who will not need to borrow any money to manage the Canadian National Railways efficiently."

I hope this is considered in a spirit of conciliation and collaboration and that the wrong my people have suffered and are suffering now will be redressed at the earliest opportunity. I will thank the leader of the government and the Minister of Transport for what they do in that direction.

Mr. Brooks: I rise on a question of privilege. The hon. member has stated that the officials of the Canadian National Railways at Moncton did not treat his people in Temiscouata and at Riviere du Loup fairly because they were French Canadians.

I do not feel that it is necessary for me to rise in defence of the officials in Moncton except to say that I know at least 50 per cent or more are of French extraction. I think the minister will bear me out there. Also, the city of Moncton has practically 50 per cent or more people of French extraction and as far as our Acadian people and English-speaking people in New Brunswick and Moncton are concerned, we live very agreeably and happily together and we are very proud of that. We in the province of New Brunswick of French extraction and of English extraction have a very kindly feeling toward the people of Quebec. We have always looked upon them as our friends and I personally regret very much that the hon. member should make a statement of that kind in this house and say the people in the city of Moncton unfairly treated people in his part of the country and that he feels they did so because his people are French Canadians. That is very far from the truth indeed.

Mr. Pouliot: That is not at all what I have said. I said they were cursing the French Canadians. With regard to the way we are dealt with I will send the hon. member a copy of my correspondence with the executive vice-president and my hon. friend will see the way in which Riviere du Loup has been dealt with by Moncton. When I meet him personally I will tell him much more besides. He did not quote any editorial in defence of the Moncton officials. There was none in any of the three papers which have printed and given great publicity to what I have said. Moreover he must know of the Moncton officials that they are a family compact. They are not Liberal, Conservative, Social Credit or C.C.F.; they are shaking hands under the table—

Mr. Brooks: They are good Canadians.

Mr. Benidickson: On a point of privilege, I regret the need to interfere with this debate, but on the other hand the discussion at the moment relates to current operation and has nothing to do with capital expenditures of the Canadian National Railways.

The Chairman: As I understood the last remarks made by the hon. member, he was through.

Mr. Browne (St. John's West): It is half a minute to six.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at eight o'clock.

Mr. Browne (St. John's West): Mr. Chairman, just at six o'clock I was going to ask the person in charge of the bill—the parliamentary assistant at the present time—concerning the manner in which these amounts are going to be expended. But since six o'clock I have been looking at No. 2 report of the sessional committee on railways and shipping. I wonder whether he would correct me if I am wrong in my understanding that at page 132 under "Financial authorizations—1952 requirements by regions, departments, etc." for Newfoundland and district, the amount shown there is the amount that would be spent out of the 1952 authorizations. At pages 134 and 135 there are also other amounts shown. At page 134 I believe is shown the equipment ordered in 1951 and which will be delivered after the 1951 fiscal year has expired in July.

Mr. Benidickson: Is my hon. friend, at page 134, referring specifically to 50 30-ton box cars which are specifically marked "Newfoundland"?

Mr. Browne (St. John's West): Yes. That is right. Are they to be delivered in July? The parliamentary assistant should be in a position to say now that it is so near the end of the fiscal year.

Mr. Benidickson: This equipment in column 1 has all been ordered and delivery is anticipated prior to July 1.

Mr. Browne (St. John's West): Is that schedule being followed?

Mr. Benidickson: So I am advised.

Mr. Browne (St. John's West): The reason I am asking is that it is quite notorious that the equipment on the railway is insufficient to handle the greater volume of traffic. I am wondering whether these two pages represent what are the needs or what are expected to be the needs within the next year or so. The other point I wanted to make is this. The one thing is where the money is spent and the other thing is where the equipment is going to be used. With regard to box cars and flat cars, is the management making any arrangements to have some of these, as many of them as possible, built in Newfoundland? They are a special kind of box car or flat car. They are not used elsewhere on the Canadian National Railways. I know that cars have been made in Newfoundland. Is the parliamentary assistant able to answer that question?

Mr. Benidickson: I have not any specific information on that matter. The hon. member knows that each year when this budget is considered by a parliamentary committee we have available some 25 or 30 senior officials of the railway, among whom are included operating people. That is the type of question that is usually asked and the kind of information that is usually extracted on that occasion. I am not able specifically to answer that question here. I will see that the hon. member's remarks are conveyed to the management.

Mr. Browne (St. John's West): I was not a member of the committee on railways and shipping; perhaps I was on some other committees and could not attend its meetings. I have looked through these reports, however, and I see nothing along that line. I was hoping the parliamentary assistant might be able to give me that information.

Mr. Macdonnell (Greenwood): I want to raise a question with respect to subsection (c) which gives authority to make capital expenditures not exceeding in the aggregate $50 million in the calendar year 1953 and so on. I draw the attention of the parliamentary assistant first of all to what was said by the parliamentary assistant to the Minister of Finance at page 3356 of *Hansard*, where that $50 million is referred to as an amount in payment for equipment. I draw his attention also to the budget presented to the committee in April last which says, at page 2:

> Authority is also desired, to the Minister of Finance, to make advances to the extent of $50 million against new equipment . . .

[Mr. Browne (St. John's West).]

Mr. Benidickson: It should include any capital requirement. I would point out to my hon. friend that for equipment alone, the bill provides some $81 million for equipment in the 1952 budget. Only a small portion of it—I think it is a little over $2 million worth—is actually expected to be delivered this year. The greater amount of it will likely be delivered between January 1 of the next calendar year and June 30, 1953. By then we usually are able to do some refinancing in this house.

Mr. Macdonnell (Greenwood): I do not think that reply meets my point. As I understand it, and evidently as the parliamentary assistant to the Minister of Finance understood it, we are here to implement this budget. This is, I take it, the same figure of $50 million. It is perfectly clear in the budget presented to the committee and approved by it that this $50 million was against the equipment. Surely we cannot lightly change that and just say it is $50 million that we will use for what we like. What that committee approved was $50 million for equipment. I think the parliamentary assistant will agree that that is so; and if it is so, I suggest that this clause should be altered to agree with the budget.

Mr. Benidickson: I think my hon. friend will agree that this is $50 million to be applied for the purposes of the bill for that particular period. Anything that is appropriated under this provision has to be accounted for specially in the annual report to be presented to parliament next year. That is also part of the act and a full accounting of it will be given.

Mr. Macdonnell (Greenwood): I do not know whether or not we are at cross purposes, but as I see it that is no answer at all. This budget which is presented to a committee of the house and is approved by it either means something or it does not. As far as I am concerned we do not just toss $50 million about as lightly as that. Am I stating it correctly? Here is the budget from which I am reading, and it refers to $50 million against new equipment. And as I say, the parliamentary assistant to the Minister of Finance described it in the same terms in his speech the other day at page 3356 of *Hansard*. This is how the item is described:

> Payment for equipment ordered but delivered in period January 1 to July 1, 1953.

That seems to me to identify it fully. If that is so then surely the basis, the very foundation, of this bill that we have is the budget of the Canadian National Railways,

which was presented and approved. If that is so, it seems to me this clearly must be altered.

Mr. Benidickson: My hon. friend is comparing the appropriate language of the section with the footnote to the budget reports which were received in the committee and which appear on page 129 of the railways and shipping committee report. I think he was quoting from the mimeographed document, but it also appears on page 129 of the official printed report of the committee. The wording is as he says: "$50 million against new equipment to be delivered in the spring of 1953 under the above authorization". I think we can accept that as being the purpose of the section.

Mr. Macdonnell (Greenwood): Wait a minute. Is this going to be right or not? Let me state again what I have said. My understanding is that this legislation is founded on the budget. We are in entire agreement as to what this budget means. I do not think we should have to act on an understanding between ourselves. I think this section should follow the wording of the Canadian National budget. Obviously that is what the Department of Finance thought, because this was said in this house on June 17 by the parliamentary assistant to the Minister of Finance, and it follows exactly the language of this budget. Surely it would be the simplest thing in the world to make that section agree, and surely it ought to be done.

Mr. Benidickson: I think my hon. friend would be satisfied if the clause was amended.

Mr. Macdonnell (Greenwood): Will the assistant read it as it now will stand please?

Mr. Benidickson: After the word "incurred" insert "for new equipment". Would that define it?

Mr. Macdonnell (Greenwood): You are going to insert that in line 4 of subsection (c) of section 3 (1).

Mr. Benidickson: That is right, "in discharge of obligations incurred for new equipment".

Mr. Harris (Grey-Bruce): I so move.

Amendment agreed to.

Section as amended agreed to.

Sections 4 to 11 inclusive agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read the third time; now?

Mr. Knowles: By leave.

Mr. Abbott moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

IMMIGRATION ACT

AMENDMENT TO CONSOLIDATE AND CLARIFY—TO PROVIDE LOANS TO IMMIGRANTS, ETC.

Hon. W. E. Harris (Minister of Citizenship and Immigration) moved that the house go into committee to consider Bill No. 305, respecting immigration.

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

The Chairman: Perhaps I should point out that this bill has been carefully considered by a special committee and has been reported with amendments.

On section 1—*Short title.*

Mr. Fleming: I should like to make a brief observation in general. I think the minister will agree that the special committee to which this bill was referred after second reading has devoted very careful study to it. The committee held what I think may fairly be called some very intensive sittings last week; and as you have pointed out, Mr. Chairman, the bill is now reported to the house with a number of amendments.

May I say to the minister that he showed a willingness in committee on many occasions to accept suggestions from members of the committee. We do not always see that attitude reflected by ministers in the house or in committees, and when one finds that attitude displayed by a minister it is very refreshing indeed. I should like to make a comment on that fact now, Mr. Chairman, concerning the Minister of Citizenship and Immigration. I do not at all mean to convey the impression that the minister accepted all the suggestions that were offered, or indeed a number of amendments that were offered to the bill. Nevertheless it is indeed refreshing to find a willingness on the part of a minister to accept suggestions.

One other observation, Mr. Chairman: This is a very long bill. It runs to 72 sections and some 32 full pages. It was most appropriate, it seems to me, that a bill of this kind should go to a committee. It points the way, if I may say so, to a procedure which not only results in legislation being in better form when it comes back to the house, but in the legislation being better understood by hon. members; and it does save the time of the house. I am satisfied, Mr. Chairman, that this evening we will see that much time of the house, at a stage of the session when

time is very precious, is saved by this measure having been referred to the committee.

One final observation. We still have not yet had at this session the opportunity for discussion or debate on immigration policies which I know many members feel is due. At other stages of the present legislation it was agreed that the bill was not the appropriate vehicle for the discussion of immigration policy. It is a bill that relates to the structure of the department and the functions of that department and its various branches. I again express the hope, as I expressed it several times in earlier stages of the consideration of this bill, that when the minister brings in his estimates there will be a discussion of immigration policy, and I hope that occasion will not be long delayed. This is one of the most important departments of the government. Immigration is a lively subject of discussion throughout the country; and it is most desirable that there should be an effective opportunity for adequate debate on the subject of an immigration policy. I say to the leader of the house, the Minister of Public Works, that I hope he will use his charm and authority to expedite the introduction in committee of supply of the estimates of the Department of Citizenship and Immigration.

Section agreed to.

Section 2 agreed to.

On section 3—*Canadian citizens.*

Mr. Browne (St. John's West): The minister knows that sometimes in connection with persons of oriental origin there is some difficulty in the matter of identification. A person who claims to be a Canadian citizen may not be truly identified as such. Has the minister in his mind or at hand the requirements with respect to the identification of a person who has been a long time absent. I am thinking of the sort of thing that would be required by an immigration officer at, let us say, Hong Kong.

Mr. Harris (Grey-Bruce): I do not recall that we have had any difficulty in identifying Canadian citizens as such from Hong Kong or elsewhere. Everyone who is a Canadian citizen is on record in the citizenship branch. For that matter everyone who is a British subject is on record. We have had no difficulty identifying anyone as a citizen.

Mr. Browne (St. John's West): Apparently the minister is not thinking of what I have in mind. I am thinking of a person born in Canada of a Chinese father, who has gone back to China, who during his minority lived in China, and then returned to Canada. Such person would not be registered as a Canadian citizen. There would be a birth certificate, but would that be sufficient after an absence of, let us say, twenty years?

Mr. Harris (Grey-Bruce): There would be a certificate of the birth in Canada, and we would be glad to examine such a case. Again I must say that I do not recall any difficulty of this kind.

Section agreed to.

On section 4—*Canadian domicile—acquisition.*

Mr. Pearkes: Is this a change in the definition of domicile, and does it apply to a minor? My understanding is that, for the purposes of this act, Canadian domicile is acquired by a person having his place of domicile in Canada for at least five years after having landed here. Let us take the case of a boy of twelve arriving here and living for five years in this country, but whose parents might not have been Canadian citizens. Would he have acquired Canadian domicile?

Mr. Harris (Grey-Bruce): This section is the same as the one in the present act which reads:

> Canadian domicile is acquired by a person only by having his domicile for at least five years in Canada after having been landed therein.

There is no change, although the wording has been altered to some extent.

Mr. Pearkes: I think there is ambiguity. An immigrant might come to this country as a minor and live here for five years, making the claim that he was a person who had lived in this country for that length of time. Then he might go out of the country. Still he would not be granted Canadian citizenship, because his parents were not granted Canadian citizenship. I am thinking of a minor, but one who had lived five years in this country.

Mr. Harris (Grey-Bruce): I hope the hon. member is not confusing domicile in the Immigration Act with domicile in the Canadian Citizenship Act.

Mr. Pearkes: I may be doing that. I wish I could get the two straightened out.

Section agreed to.

On section 5—*Prohibited classes.*

Mr. Fleming: I wish to renew, on section 5, an argument I put forward in committee for some better definition of the expression found in line 29, "any crime involving moral turpitude". To most persons that expression suggests, in the first instance, offences of a type we have under the Criminal Code, and that are described particularly as crimes involving sexual offences. The minister indicated to us frankly in committee that the

expression "any crime involving moral turpitude" would mean, as to crimes committed in Canada, almost every crime if not indeed every crime under the Criminal Code.

I offer now an example—and it may be a rather extreme example—by way of illustration of what this may mean. Bear in mind, if you will, that when this expression is applied to a person in Canada, as the minister has indicated, it would be treated as the equivalent of practically any offence, whether an ordinary offence or an indictable offence under the Criminal Code. As applied to an act of some person outside of Canada, as the minister indicated, the department will interpret it to mean any offence that would be regarded as an offence against the criminal law, according to Canadian standards of criminal law.

I put this extreme case as indicating the need, both in this and in one or two other sections we will come to, for a much closer definition of what is meant. I take the case —because it is fairly obvious—of a person who comes to Canada from Ireland. It is discovered after he has been here one day short of the necessary five years required to acquire domicile that prior to his departure from Ireland he got into an argument with his neighbour over the fence, and poked the neighbour in the nose. That would be a case of common assault, assuming that there was no aggravation in the offence. The magistrate before whom the unhappy man was haled might take a light view of the offence, and, while it would be within his power to register a conviction, he might impose nothing more than a nominal fine or, indeed, he might direct a remand for sentence, or might suspend sentence.

After the individual in question has been in Canada four years, eleven months and twenty-nine days it comes to the attention of the immigration branch that this person was convicted of the crime of common assault before his entry into Canada. This immediately makes him subject to deportation. That is the law as created by the bill before us.

If the expression "any crime involving moral turpitude" is to be considered in the way the minister has indicated—and that is the way the department will construe the expression in the present act, because it is not a new expression—then this individual has rendered himself liable to deportation. I do not suggest the present minister is going to do anything so arbitrary or, indeed, so foolish as to direct the deportation of a man under those circumstances. But the fact of the matter is that under this bill he could. That individual is liable to deportation.

I think when we are legislating we do not want to legislate in such a way as to make it possible to have a result as absurd as that. I had proposed in committee that we should seek some better expression, some clearer definition of the sort of thing we have in mind, than this broad term "any crime involving moral turpitude".

In the light of the position taken by the minister in committee, and the decision of the committee, the bill comes back to us with this expression remaining in it. I want to record my view that this is a defect in the bill and that something much more definite in the way of a definition is required.

Section agreed to.

Sections 6 to 10 inclusive agreed to.

On section 11—*Special inquiry officers.*

Mr. Fleming: I should like to make an observation on subsection 3, clause (c) which permits the special inquiry officers to issue commissions or requests to take evidence in Canada. The committee has added the words "in Canada" and to that extent has narrowed the scope of the section in the original bill. But I wish to express the view that I sought to put forward in the committee about the care with which a power like this should be exercised.

There is no power in the present Immigration Act to permit any officer of the department to issue a commission to take evidence. As you well know, in legal proceedings in all the provinces the issue of a commission to take evidence is not something that is obtained as a right; it is something which the courts permit only where a sufficient case has been made out to justify it. For the first time this bill proposes to confer upon every special inquiry officer under this act the power to issue a commission to take evidence anywhere in Canada.

Something might be said for taking evidence in other parts of Canada for use in connection with deportation proceedings that are pending against an individual, but having regard to the position in which many of these persons will find themselves I think this is a power which should be exercised only in clear cases. Think of the position of an individual awaiting deportation. In the first instance, he may be suffering from the disability of language; he may understand neither English nor French. In the second place, he may be suffering from a state of confusion in which many immigrants find themselves when arriving in Canada. It seems to me that where evidence is being used against him which may result in his being deported the least he is entitled to is the right to have the witness cross-examined, to confront the witness face

to face. That right should be most carefully preserved. The great difficulty about taking evidence on commission is that it may be taken far away from the place where the individual may be held while the deportation proceedings are continuing. He may be timid, he may be confused, and he may be unaware of his rights.

In such cases I think injustice could be done to the unhappy individual if any arbitrary use is made of the power to take evidence on commission. As I have indicated, the committee has circumscribed this power to the taking of evidence on commission within Canada only. But even with that limitation in many circumstances the power could be used to the detriment of the individual facing deportation proceedings. I urge upon the minister a very sparing use of such power.

Mr. Harris (Grey-Bruce): We are quite conscious of what my hon. friend has said. This would be of advantage to the immigrant under certain circumstances. It is felt that we should have the power, but it will be used most sparingly.

Section agreed to.

Sections 12 to 18 inclusive agreed to.

On section 19—*Reports on persons in Canada.*

Mr. Fleming: I should like to make an observation with respect to subsection 1, clauses (e) (ii) and (iv). I have no quarrel with this section as it stands. It requires that certain officials make reports to the Department of Citizenship and Immigration in certain cases, and there can be no objection to having reports made even in cases of a simple breach of the Criminal Code by any person within the ambit of the section. But the real rub comes in later sections which in a number of cases refer to section 19. Section 19, subsection 1 (e) requires that reports be made by the clerk or secretary of a municipality to the minister in the case of any person other than a Canadian citizen or a person with Canadian domicile—that means five years' domicile in Canada after being admitted—if such individual is convicted of an offence under the Criminal Code or, under clause (iv), was a member of a prohibited class at the time of his admission to Canada.

A moment ago I referred to section 5 (d) of the bill which refers to the individual who had been convicted of a crime in the country from which he had come, and I cited the case of common assault. Clause (iv) refers to persons in that category, as well as the other categories referred to in section 5 because they are all within the prohibited class.

This would mean that in a case similar to the one to which I referred, if the individual had less than five years of residence in Canada and happened to get into an altercation with his neighbour over the back fence in Canada, punched that neighbour in the nose and was convicted of the crime of common assault, he would bring himself within the scope of this section 19. It does not matter that the offence is not serious; it does not matter that the offence may not be viewed by the magistrate as being serious; it is sufficient that the magistrate enters a conviction. In that event a report must be made by the clerk of the municipality to the department.

As we will see in connection with some later sections, the effect can be very serious. In the case of an individual who may have four years, eleven months and twenty-nine days' residence in Canada, if on the evening—

Mr. Browne (St. John's West): With good behaviour, too.

Mr. Fleming: His record may have been immaculate in Canada, but the night before he completes his five years of residence in Canada in order to establish Canadian domicile he gets into an altercation with his neighbour over the back fence and commits—

Mr. Gauthier (Portneuf): He should have waited until tomorrow.

Mr. Fleming: —the rather simple offence of common assault and renders himself, as we shall see in a later section, liable to deportation. I express the view that I expressed earlier in connection with section 5. Legislation that could result in that absurd situation where the man could be deported is not legislation that a serious parliament should enact. I do not suggest that in a situation of that kind the minister would direct that the individual be deported; but the fact of the matter is that if the bill is passed in this form we are clothing the minister with power to direct the deportation of that individual in that situation. I say it seems to me that is not the way in which parliament should go about its task of legislating. This expression in 19 (1) (e) (ii), in so far as reference is made to it in a later section as being a basis for deportation, should in my submission be circumscribed so that use could not be made of it in the kind of case to which I have referred and many other cases that will naturally suggest themselves to hon. members.

Mr. Harris (Grey-Bruce): I think I should add to what my hon. friend has said that under the present act there is no discretion in the minister not to deport a person under the circumstances he has described but in this bill there is discretion not to deport.

Section agreed to.

Sections 20 to 27 inclusive agreed to.

On section 28—*Decision after inquiry.*

Mr. Fleming: This is the section to which I made reference in what I had to say a moment ago with respect to section 19 of the bill. We see in subsection 3 of section 28 that deportation may be ordered by a special inquiry officer of a person who falls within the various clauses of section 19 to which I made reference. The minister has indicated in the comment he has just made that provision exists in the present act that makes the individual in the extreme case to which I have referred liable to deportation. He has said that discretion is created by the new bill in favour of the minister to exercise clemency—and I think most of us would say common sense—in a situation of that kind and permit the individual to escape deportation. However, I think we ought to go further than that. The fact of the matter is that if this legislation passes in the present form we are legislating to this effect, that the individual who on the eve of completing five years' residence in Canada after lawful admission commits the offence of common assault makes himself liable to deportation, and only exercise of a discretion by the minister permits that individual to escape deportation.

In my submission the grounds upon which the individual renders himself liable to deportation are much too extensive. They are much too broad. We should raise the floor in a case of this kind. I am quite in accord with the idea that the minister should have discretion in proper cases because there is going to be need of discretion being exercised in many cases if the law is to be written in terms as rigorous as some of those we have before us. The fact of the matter is that in my submission no individual who has given a good account of himself in Canada for the period I suggested, four years, eleven months and twenty-nine days, after being lawfully admitted, should be rendered subject to deportation simply because he commits what is nothing more than a very simple offence. It is not an indictable offence, and in the case I mentioned it might be under circumstances as to which the magistrate, while feeling he might be obliged to enter a conviction, would take anything but a serious view of what had happened. I cannot think that parliament, in proceeding seriously about its task of legislating with respect to this very important subject of immigration, wants to place anybody in a position like that, where he is dependent upon favourable exercise by the minister of his discretion under the act to escape deportation.

Section agreed to.

Sections 29 and 30 agreed to.

On section 31—*Where appeal allowed and how it is initiated.*

Mr. Harris (Grey-Bruce): There was some discussion at the close of our committee meetings as to redrafting subsections 4 and 5. We have been able to do that in the interval, and I would ask my colleague, the Minister of Veterans Affairs, to move:

That subsections 4 and 5 be stricken out of the present bill and the following substituted therefor:

(4) "The minister may in any case review the decision of an immigration appeal board and confirm or quash such decision or substitute his decision therefor as he deems just and proper and may, for these purposes, direct that the execution of the deportation order concerned be stayed pending his review and decision, and the decision of the minister on appeals dealt with or reviewed by him or the decision of the majority of an immigration appeal board on appeals, other than those reviewed by the minister, is final."

Mr. Lapointe: I so move.

Mr. Fleming: I may say that I think the wording the minister now proposes is a distinct improvement on the former wording of subsections 4 and 5 as they appear in the bill as reprinted.

Amendment agreed to.

Section as amended agreed to.

Sections 32 to 35 inclusive agreed to.

On section 36—*Deportation.*

Mr. Harris (Grey-Bruce): We made certain amendments to sections 40 and 41 and as a consequence there should have been another amendment made to section 36. I would therefore ask my colleague to move:

That the following words be added at the end of subsection 1 of section 36: "or to such country as may be approved by the minister under this act."

Mr. Lapointe: I so move.

Amendment agreed to.

Section as amended agreed to.

Sections 37 to 39 inclusive agreed to.

Immigration Act

On section 40—*Liability for deportation where U.S.A. refuses to allow return.*

Mr. Harris (Grey-Bruce): I would ask my colleague to move an amendment to section 40 which would insert a subsection 5 reading as follows:

(5) Notwithstanding anything contained in this section, deportation costs shall not be paid by the transportation company concerned in respect of an immigrant who, upon his arrival in Canada, was in possession of a valid and subsisting immigrant visa required by this act or the regulations and issued to him, after the commencement of this act, by an immigration officer.

Mr. Lapointe: I so move.

Mr. Fleming: Mr. Chairman, I would like to say at once that I welcome this amendment. I unsuccessfully introduced a similar amendment in the committee, but I may say to the minister that I am very glad he has seen fit to propose this amendment. Having regard to the change that has developed in the set-up in handling our immigration cases in the last generation, this amendment is necessary to do justice to those engaged in the transportation of immigrants.

Mr. Harris (Grey-Bruce): May I say that this is not the amendment my hon. friend moved. It is different, although it is partially the amendment that he moved.

Mr. Fleming: I was not suggesting it was the amendment in the same words. We would not expect the government, knowing it as we do, to accept an amendment or proposal in the same words; but I see in this amendment the principle for which I was contending and which I pressed for in the committee unsuccessfully. I welcome the amendment and congratulate the minister.

Amendment agreed to.

Section as amended agreed to.

On section 41—*Costs of detention of persons seeking admission to Canada.*

Mr. Harris (Grey-Bruce): I similarly ask that an amendment be moved to section 41, subsection 1 of which would read:

The transportation company that brought to Canada a person seeking admission thereto shall pay all costs of his detention, except in the case of an immigrant who, upon his arrival in Canada, was in possession of a valid and subsisting immigrant visa required by this act or the regulations and issued to him, after the commencement of this act, by an immigration officer.

Mr. Lapointe: I so move.

Mr. Fleming: The same remarks.

Mr. Harris (Grey-Bruce): The same remarks, Mr. Chairman.

Mr. Fleming: The same reply, Mr. Chairman.

[Mr. Lapointe.]

The Chairman: Perhaps I should say "the same question".

Mr. Green: Is the effect of this amendment to be that the government will have to pay for deportation of persons coming under the amendment?

Mr. Harris (Grey-Bruce): The result, Mr. Chairman, is that the government will pay for more cases of deportation than it has up to the present.

Amendment agreed to.

Section as amended agreed to.

Sections 42 to 46 inclusive agreed to.

On section 47—*Free transportation to immigration officers.*

Mr. Harris (Grey-Bruce): I also ask for amendment of this section by inserting at the opening of the section the following words:

Subject to section 11 (a) of the Aeronautics Act.

I should explain that under section 11 (a) of the Aeronautics Act there is a reference to free transportation on airplanes which places the decision in that matter in the hands of the air transport board.

Mr. Lapointe: I so move.

Amendment agreed to.

Section as amended agreed to.

Sections 48 to 68 inclusive agreed to.

On section 69—*Loans to immigrants.*

Mr. Catherwood: On section 69, Mr. Chairman, I was not a member of the committee but I do feel that these loans to immigrants are very important. I would just like to ask the minister if it is the intention of his department to make use of these funds up to the $12 million which is the limit that may be expended for this purpose.

Mr. Harris (Grey-Bruce): As I explained on second reading and at the resolution stage, this is giving statutory form to the vote which has been passed by the house for the last two years, for a revolving fund.

Section agreed to.

Sections 70 to 74 inclusive agreed to.

Title agreed to.

Mr. Harris (Grey-Bruce): May I express my thanks to all members of the committee who aided us so materially in improving the bill.

Bill reported, read the third time and passed.

CANADA GRAIN ACT

PROVISION FOR REAPPOINTMENT OF COMMISSIONERS—SALARY INCREASES

Hon. Alphonse Fournier (for the Minister of Trade and Commerce) moved that the house go into committee to consider Bill No. 246, to amend the Canada Grain Act.

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

The Chairman: I should point out that this bill has been carefully considered by the standing committee on agriculture and colonization.

Sections 1 to 5 inclusive agreed to.

Title agreed to.

Bill reported, read the third time and passed.

PENSION ACT

ADJUSTMENT OF CLOTHING ALLOWANCE IN CERTAIN AMPUTATION CASES, ETC.

Hon. Hugues Lapointe (Minister of Veterans Affairs) moved that the house go into committee to consider Bill No. 184, to amend the Pension Act.

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

The Chairman: May I point out to hon. members that this bill has been carefully considered by the special committee on veterans affairs and has been reported without amendment.

On section 1—*Wear and tear of clothing on account of amputation.*

Mr. Brooks: Mr. Chairman, while this bill was before the special committee on veterans affairs, as you have pointed out, and was reported without amendment, I might say that it was carried on division in that committee. This is an extremely important bill to a most deserving class of our war pensioners, namely the amputation cases. The reason it was carried on division was that many of the members of the veterans affairs committee felt that the increase provided by this bill with regard to clothing allowance was not enough.

I might point out, Mr. Chairman, that there has been no change in the allowances made to amputees for clothing since 1925. In that year, for any amputation of the leg above a Symes' amputation, so-called, the allowance for wear and tear on clothing was $54. Since 1925 twenty-seven years have elapsed. We all know of the great increase in the cost of clothing during that time. As a matter of fact, it was pointed out to the committee that since 1925 the cost of clothing has increased by about 100 per cent or more. Many members of the committee felt that the allowance provided in this bill, namely a 33⅓ per cent increase, was not sufficient and was not fair to these amputees.

In 1925 the allowance made to amputees other than those with Symes' amputations was $22; and with the increase of 33⅓ per cent as provided in the bill this amount will be increased to $30. There were three classes dealt with. First there were those with other than Symes' amputations. The second class were those with amputations at or above the wrist; and the third class were those who had to use other appliances. It was pointed out that the wear and tear on the clothing of these classes was very great. There is extreme wear and tear on the clothing of amputees and those who have to wear these other appliances.

The $54 provided in 1925 was equivalent to providing an extra suit of clothes for these men. To provide an extra suit of clothes for those same veterans in 1952 costs in the neighbourhood of $80 to $100. Many of us felt that a larger amount should be allowed than that provided in the bill.

I should like to point out that of these leg amputations above the so-called Symes' amputation, there are 3,070. This was brought out in the evidence before the committee. The annual liability to the country before the proposed increase was $165,780. The increase as proposed in the bill will mean $55,260. As to those with arm amputations, we were advised in the committee by the witnesses from the department that there were 1,294. The present cost is $28,468, and the proposed increase would mean $10,352. As to those with other appliances, there were 2,452. The present cost is $115,244. The bill means an increase of $61,300. The total increase under this bill will be $126,912. I might say that the total cost at the present time for these classes of amputees and those who wear appliances is $309,492. If this amount were even doubled it would mean a cost of only $618,984 or not quite two-thirds of a million dollars.

I point this out to show that, with regard to this class of veterans and with regard to this particular allowance, the cost is extremely small. I felt, as did other members of the committee, that we could very well have doubled the amount of $309,492 and not made the cost very great as far as the country was concerned. It is hardly necessary for me to say that this is a most deserving class of veterans. They are the most helpless class of veterans that we have. As we

know, their clothing is subject to tremendous wear and tear during the year. I simply call this matter to the attention of this committee because, as I say, when the bill was carried in the veterans affairs committee, it was carried on division, and those were the particular reasons upon which we divided in that committee.

Section agreed to.

Sections 2 to 4 inclusive agreed to.

Title agreed to.

Bill reported, read the third time and passed.

CIVILIAN WAR PENSIONS

INCREASES IN BENEFITS TO OTHER THAN MEMBERS OF ARMED FORCES

Hon. Hugues Lapointe (Minister of Veterans Affairs) moved that the house go into committee to consider Bill No. 191, to amend the Civilian War Pensions and Allowances Act.

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

On section 1—*Schedules I and II.*

The Chairman: May I point out that this bill also has been considered in the special committee on veterans affairs and has been reported without amendment.

Section agreed to.

Section 2 agreed to.

Title agreed to.

Bill reported, read the third time and passed.

VETERANS BENEFIT ACT

PROVISION WITH RESPECT TO TIME OF EXPIRY

Hon. Hugues Lapointe (Minister of Veterans Affairs) moved that the house go into committee to consider Bill No. 182, to amend the Veterans Benefit Act, 1951.

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

The Chairman: I point out that this bill to amend the Veterans Benefit Act, 1951, has also been carefully considered in the special committee on veterans affairs and reported without amendment.

On section 1—*Expiration.*

Mr. Brooks: I might say that this bill was carried unanimously in the committee without any amendment; but I am rather surprised that hon. members who were not in the committee are not anxious to learn more about the bill.

Mr. Fournier (Hull): They know you did a good job.

Mr. Brooks: Possibly that is true.

Mr. Mutch: I think that is deserved.

Section agreed to.

Title agreed to.

Bill reported, read the third time and passed.

VETERANS INSURANCE ACT

PAYMENT TO ESTATES OF FULL AMOUNT OF POLICY

Hon. Hugues Lapointe (Minister of Veterans Affairs) moved that the house go into committee to consider Bill No. 183, to amend the Veterans Insurance Act.

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

The Chairman: Perhaps I should say that this bill also has been considered carefully by the special committee on veterans affairs and reported to this house without amendment.

On section 1—*Coming into force.*

Mr. Brooks: It should be pointed out to the committee that there was some objection to this bill, not to what it contained but to what it did not contain. It was felt by certain members that section 10 of the Veterans Insurance Act should be either amended or deleted. I brought this matter up when the resolution was before the house.

I should like to point out to the committee that under section 10 of the act, if an insured dies and the widow or beneficiary is entitled to a pension, then certain deductions are made from the insurance that is paid to the beneficiary. Considering the fact there is a very substantial insurance fund, and that these veterans have paid in sometimes for many years, it hardly seems fair that deductions should be made from the amount of insurance that is paid to the beneficiary.

We had hoped there would be another clause in the bill following section 1, that deleting section 10 of the act. I might say that this has been a recommendation of the Legion for quite a number of years. It is also a recommendation from other veterans organizations, but no consideration has yet been given to it by any committee that has been set up or by the government. I really think they have a just claim, and in fairness to the veterans I hope that section 10 of the act, while not considered at this session, will be considered at some future date.

Section agreed to.

Section 2 agreed to.

Title agreed to.

Bill reported, read the third time and passed.

ARMY BENEVOLENT FUND ACT

INCREASES IN RATE OF INTEREST ON MINIMUM MONTHLY BALANCES

Hon. Hugues Lapointe (Minister of Veterans Affairs) moved that the house go into committee to consider Bill No. 334, to amend the Army Benevolent Fund Act, 1947.

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

The Chairman: This bill has also been reported to this house without amendment, by the special committee on veterans affairs, where it was considered and studied carefully.

On section 1—*Interest.*

Mr. Green: Will the minister give a brief explanation of this amendment?

Mr. Lapointe: There is very little I can add to what is in the explanatory note of the bill and to the remarks I made when the resolution was introduced. There are two purposes to the amendments as my hon. friend knows. One is to increase the rate of interest on the fund from 2½ per cent to 3½ per cent on the first $5 million monthly balance and 2½ per cent on the balance of the fund. The second amendment is to permit the board to receive grants and bequests which are offered to the fund from time to time and which they have no authority to accept at the present time.

Mr. Green: Have any such bequests been made to the fund as yet?

Mr. Lapointe: I do not believe there have been any, but the fund has received inquiries as to the possibility of making such bequests. The second amendment also gives the board authority to receive repayments of grants which they have made. At the present time when a grant is made to a veteran, the act does not permit the board to accept repayment of that grant. The experience has been that many veterans, after they have received those grants and managed to get through the difficulties they were in, make an offer to the board to repay either the whole grant or part of it. The board does not accept it because under the present act the board would not benefit; it would fall into the consolidated revenue fund.

Section agreed to.

Title agreed to.

Bill reported, read the third time and passed.

WAR VETERANS ALLOWANCE ACT

CONSIDERATION OF FURTHER AMENDMENTS

Hon. Hugues Lapointe (Minister of Veterans Affairs) moved that the house go into committee to consider the following resolution:

That the following amendments be made to Bill 181, intituled: "An act respecting Allowances for War Veterans and their dependents";

1. That in paragraph (a) of subclause one of clause three the words: "sixty-five" be deleted and the word: "sixty" be substituted therefor.

2. That subclause one of clause six be amended by inserting after paragraph (h) the following: "(i) interest on bank deposits and bonds and dividends on shares in the capital stock of any company to the extent of twenty-five dollars per annum from all such sources;" and by relettering the present paragraph (i) as paragraph (j).

3. That subclauses two and three of clause thirty-one be deleted and the following substituted therefor:

"(2) Every person who, immediately prior to the coming into force of this act, was in receipt of an allowance under the War Veterans Allowance Act, 1946, may be paid an additional allowance equal to the amount that he would have been eligible to receive under this act in respect of the period between the first day of January, nineteen hundred and fifty-two, and the coming into force of this act, if this act, except section four, had been in force during that period, less any amount that he was eligible to receive under the War Veterans Allowance Act, 1946 in respect of that period.

"(3) Every person (a) who was awarded an allowance under the War Veterans Allowance Act, 1946, whose allowance was discontinued and was not being paid immediately prior to the coming into force of this act, for the reason that the amount of his income rendered him ineligible for the allowance, or (b) who, prior to the coming into force of this act, applied for an allowance under the War Veterans Allowance Act, 1946, but was not granted the allowance for the reason that the amount of his income rendered him ineligible for such an allowance, may apply for and be granted an allowance in respect of the period between the first day of January, nineteen hundred and fifty-two, and the coming into force of this act equal to the amount that he would have been eligible to receive under this act in respect of that period if this act, except section four, had been in force during that period, less any amount that he was eligible to receive under the War Veterans Allowance Act, 1946, in respect of that period".

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

Mr. Green: Mr. Chairman, it is my understanding that this resolution contains the amendments which were approved by the special committee on veterans affairs. I presume the intention is to have these amendments considered when we are considering Bill No. 181. If that is so, there will be an opportunity at that time to discuss these amendments, together with the other provisions of Bill No. 181; is that correct?

Mr. Lapointe: That is right. There will be an opportunity to discuss these amendments during the section by section discussion in committee of the whole on the bill. When

the resolution is adopted I intend to move that it be referred to the committee of the whole on Bill No. 181.

Mr. Green: These amendments will be moved to the bill as we come to the respective sections?

Mr. Lapointe: As we come to the various sections I shall ask one of my colleagues to move these various amendments.

Resolution reported, read the second time and concurred in.

Mr. Lapointe thereupon moved that this resolution be referred to the committee of the whole on Bill No. 181.

Motion agreed to.

AMENDMENTS RESPECTING ALLOWANCES FOR WAR VETERANS AND THEIR DEPENDENTS

Hon. Hugues Lapointe (Minister of Veterans Affairs) moved that the house go into committee on Bill No. 181, respecting allowances for war veterans and their dependents.

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

The Chairman: This bill has been considered by the special committee on veterans affairs, and has been returned with an amendment.

On section 1—*Short title.*

Mr. Brooks: Mr. Chairman, this bill was before the committee for some days. While there was very little controversy in respect of the other bills passed by the committee, there was considerable debate and considerable controversy so far as this particular bill was concerned.

The committee will recall that when the resolution was before the house many weaknesses were pointed out, and they were again emphasized in committee. Unfortunately the amendments were not made along the lines we had hoped, and the weaknesses in the act when it went to committee are still there. This, I may say, is a matter of great disappointment to many members of the committee, as well as to veterans organizations who presented the case to the committee on behalf of recipients of war veterans allowances. It is also a disappointment to all veterans across this country.

This is a most important bill. We had expected that the legislation before us in the special committee would have been before a committee on veterans affairs over a year ago. As a matter of fact we felt that when the Pension Act was being considered and amended, the War Veterans Allowance Act should have been amended as well. We were pleased, however, when at the last session of parliament we were told there would be a war veterans committee at this session.

We had every reason to believe that this most important legislation would have been corrected this session. However, the bill as presented to the committee made very few changes in the act. One of the benefits of having the bill before us was that it was a consolidation, a feature which met with the general approval of all members on the committee.

There is one section in the bill which has given general satisfaction, and that is the provision allowing veterans to receive allowances during certain months of the year and to work in other months. It was felt, however, that the encouragement given to some other veterans was not sufficient.

We were very pleased to learn that veterans employed in different types of work are giving satisfaction. In that connection I should like to read from the report of the work of the Department of Veterans Affairs. At page 18 I find set out a summary of welfare services, where there is reference to the employment of veterans and to the satisfaction they are giving their employers. At page 18 I find this:

> A review of the progress made during the year shows that the work of casualty rehabilitation and welfare has been efficiently carried out with many cases being closed as successfully re-established in civil life, and with fewer disabled veterans unemployed than ever before.
>
> It has also been ascertained that the incidence of dismissal of disabled veterans from work on the grounds of inefficiency is negligible, thereby proving that placements have been soundly made in jobs where, notwithstanding the disability of the veteran, his courage and determination has enabled him to turn out volume and quality equal to those who are not disabled.

That is a statement which I know will give great satisfaction not only to members of the House of Commons but to all veterans across Canada. On the same page, the welfare services branch reports on the older veterans as follows:

> The principal need of the older veteran in reasonably good health is steady, gainful employment and, when to obtain and retain such work becomes a problem, the branch is prepared to take an interest. In various ways the branch has stimulated the interest of employers and community groups in the value of the older veteran properly placed in employment and, in co-operation with national employment service, believes that substantial results have been achieved. During the year, national employment service recorded employment registrations by 45,756 older veterans and at March 31 the number unplaced was 9,519 as compared with 12,284 at the end of the previous year.

That indicates clearly to me, as I am sure it must to all hon. members, that not only is the older veteran capable of working in many instances, but also he is most anxious to get employment whenever it is possible. I

was interested in a report made by Mr. Ryder of the research department in which he pointed out that from a research made it was found that the health of the older veteran was much better than had been expected. I do not know what the object of the research was, but he pointed out to our committee that men of the age of 55 years who were receiving war veterans allowance on account of some disability or on account of poor health had a greater death rate than civilians in the same age group. He pointed out also that the death rate of recipients of war veterans allowance 60 years and over was lower than that of the corresponding civilian age group. I think the inference which possibly was meant to be drawn was that the war veteran had not aged as much as had been expected due to his war service.

I think it should be brought out at this time that no such inference should be drawn. In the first place, as was pointed out in the committee, those men who are 60 years of age and over and who served in the first war were the best of the young men in the country at that time. They were more physically fit than any others; they were the cream of the crop, as it were. They were hardier than many of the men who were unable to pass the physical examination for overseas service and who on that account stayed home during the first war.

There is another argument that could be used for granting war veterans allowance. When these men came back from the first war they were not in the same position economically as were those who had stayed at home. As a matter of fact I believe the war veterans allowance was granted on that point as well. These men came back and found that there was not the employment for them they had expected. They found that those who had stayed home were well established and that it was more difficult for them to become rehabilitated. There is a great difference between the men who served in the first world war and those who served in the second.

Then again, no action had been made after the first world war to provide educational facilities as was done after the second war. Many of the men who came back took land under the soldier settlement board, and we know they had a very hard time. They went through two depressions and also the second world war, and it was more difficult for them to become established than it was for those who had stayed home.

This brings me to my criticism of the present act. We criticized the present act chiefly because it did not increase the ceilings to the extent we thought they should have been increased. Under the old ceiling a single man was permitted to earn $125 over and above his war veterans allowance while a married man could earn $250. Under the new ceiling, both single and married men are entitled to earn only $120 over and above their allowances. Instead of increasing the ceilings there has been a decrease in the cases of both the single and married man. We felt that there should have been an increase in both instances.

A number of cases were presented by the Legion where particular individuals would suffer. One case was that of the older veteran who possibly with the help of his wife or someone else was able to hold a position as janitor or do some job of that nature. The low ceiling would allow him to earn only an extra $120 a year; therefore it would be impossible for him to take a job of that kind. Then there was the case of the older veteran and his wife who might have a room to rent for perhaps $4 or $5 per week. Again he would be prohibited from doing this because of the low ceiling. There was also the case of the man who had been able to earn a retirement pension of from $20 to $50 a month. He would not be eligible because of the low ceiling. The worst case of all was the man with a disability pension, say 50 per cent. If this man was married and totally unemployable he would get very little assistance under the War Veterans Allowance Act; if he was single he would receive none at all.

It was felt that these few cases illustrated clearly the unfairness of leaving the ceiling or the permissible amount which the veteran was allowed to earn at only $120 per year. The matter was thoroughly discussed in the committee, and it is not necessary for me to dwell further on that point.

The second matter to which we objected strongly was the amount of the allowance, namely $50 for a single veteran and $90 for a married veteran. It was pointed out to us, as we have pointed out in the house on numerous occasions, that the increase should have been based on the cost of living. Since 1939 the cost of living has increased by something like 82 per cent, whereas the increase in the war veterans allowance is only 33⅓ per cent.

Those are the two main objections we have to the bill. We think veterans are not being treated fairly or justly in this respect, and we feel the attention of the committee should be called to these matters. I know there are other members who are going to speak on the bill along the same lines, and it is not my intention to take any more time.

Mr. Gillis: I too was a member of the special committee, and most of the things

that we would ordinarily say we said there. However, there are a few matters to which I should like to refer. The minister has already indicated that several amendments are being made to the bill. In my opinion a lot of discussion will have to take place on the bill as we discuss it clause by clause. At this time the things about which I am concerned are the amendments that were not introduced and that we will not have an opportunity to discuss as we consider the bill.

The first amendment that I thought should have been made and which was not made is an amendment of the act to include the widows of imperial veterans whose husbands passed away before they were able to comply with the twenty-year residence qualification. I had figures indicating that the problem was not very big and there would not have been much money involved. After the many times this matter has been discussed in the house I am disappointed that the act was not amended at this session to include the widows of imperial veterans who did not meet the residence clause. We object strenuously to what is not done for those who are already getting something; but the position such a widow finds herself in is very difficult because she receives nothing. The fact that she lost her husband before he had resided in Canada for twenty years does not improve her position very much, because the widow has been here the necessary time. She still has to eat and provide a home for herself in Canada and, as somebody remarked in the committee, the body of her husband is still in Canada. As far as he is concerned his bones are interred here and will remain here. Rather than a strict legal application of the act humanitarian consideration should be given to the widow who gets nothing at the present time. As I said before the cost would not be so great, because the figures presented to the committee indicated that not many cases are involved.

My second disappointment with respect to the amendments that were brought forward arose because of the fact that no amendment was introduced to include veterans of world war I who saw service in England. There are a considerable number of them, and in my opinion when the government amended the War Veterans Allowance Act to include veterans of world war II who saw service in England they immediately created discrimination. That discrimination should have been removed. We argued the matter in the committee but the government appeared to be adamant at this time that that recommendation was not going to be followed. I was very sorry to see these two matters not dealt with in the amendments the minister is presenting at this session. In my opinion the act has been improved. The computing of the war veterans allowance on a monthly basis, without any reference to the income that may be earned by a veteran able to take seasonal employment for four, five or six months of a year, is a move in the right direction. There are many older soldiers who cannot take steady employment in heavy industry but who can do light work of a seasonal nature particularly in the summer months when the weather is good. Thus they are able to earn something, and then they can go back on the war veterans allowance when that type of employment is no longer available without the income they have earned being held against them on an annual basis. I think that is a big improvement in the act and gives considerable latitude to the ex-service man who finds himself in the position of not being able to work all the time.

There was a lot of discussion and several motions in the committee with respect to the schedule. Many of us thought the rates in the schedule were too low. They certainly did not meet the request of the Legion in their presentation to the committee, but again the government appeared to be adamant in the stand that this was as far as they were going at the present time.

We can have a lot of discussion on the clauses of the bill, but I want to say one thing now. There was a proposition made before the veterans affairs committee by a doctor from Vancouver. I spoke about the matter in the committee and I mentioned it in the house on second reading of the bill. I refer to the proposal that appears to have emanated from Vancouver where they have set up a geriatrics division in one of their institutions. The idea is that older veterans who are inmates of the institutions across Canada are going to be taken under the wing of this new organization and are going to be given some training. In the case of Vancouver the officials who are giving the training are working on a voluntary basis with the co-operation, as this gentleman told us, of the community chest people in that city.

I cannot agree with his presentation of the matter. We have to ask ourselves this question. To begin with why are these older veterans inmates of these institutions? Why was it necessary for any veteran to make application to the veterans affairs department asking that the department admit him to an institution and look after him so far as his meals, room and general maintenance are concerned? Why did he do that in the first place? He did it because he was no longer employable. He was certified as being unemployable by a medical authority or he was

over 60 years of age. Otherwise he would not have been receiving the war veterans allowance.

Having the war veterans allowance, why did he seek to become an inmate of an institution? He requested to be allowed to enter the institution because he was not getting enough on which to live on the outside. That is the answer. Some of them have been veterans care cases off and on over the years throughout the country, but apparently this medical doctor has devised a scheme of instituting a geriatrics division. Older veterans will go into these institutions, and they have to be psychoanalysed. They range in age from over 60 to about 70 and they are broken down. They are not employable. They are in these institutions because they cannot live on the outside. In Vancouver under the program sponsored by the community chest organization—they are very benevolent people—a geriatrics division has been set up, and apparently with the general sanction of the veterans affairs department these older veterans are going to be psychoanalysed to determine what their aptitudes may be for employment. They are going to find employment for them.

The doctor told us that there was one old gentleman in the institution whom they rehabilitated. He could do a little typing, so they made his fingers nimble again and sent him to a bush camp to type for the office manager. That was one case, but to my mind the whole idea is ridiculous and as far as I am concerned I am opposed to it. In the first place the veteran who is in that condition, the older veteran who goes into an institution, has reached the end of the trail. There is nothing outside for him. If he received enough by way of war veterans allowance to pay for a room and a bite to eat he would not have to become an inmate of that institution. He is a definite charge on the Canadian people and a responsibility of the Canadian government.

I object to any system whereby it is proposed to take men in this age group and ascertain whether they should go back to work somewhere just to get them out of the institutions. I want the members of the veterans affairs committee to think about the matter. I definitely object to them becoming in any sense of the term linked up with the charitable organizations of this country. It certainly is not the prerogative of any charitable institution in this country to become involved in veterans affairs. For that purpose there is a special ministry of government. There is a large department of veterans affairs and it extends clear across the country. There are investigators, there are hospitals and there are staffs across the country which are adequate to care for the needs of veterans in any category. I object to any attempt to turn the institutions established for veterans of this country in the direction of working through some other scheme that involves charitable organizations across the country.

If you want to do something for the older veteran who has been necessarily institutionalized because he cannot find employment and live on the outside, the thing to do is increase the rate of war veterans allowance so that the men can pay for room and board outside, and you will not have any of them in institutions.

On that particular angle I speak to you, Mr. Chairman, and through you to the minister, because I can very easily see what is going to happen. If you have a hundred or two of the older veterans institutionalized in Vancouver, Halifax, London or Toronto, or any of our large centres, and you start on this system of geriatrics what you are going to see happen is just this. They will be picked as orderlies in the hospital—no pay, of course—and they will be required to sweep floors, polish wards, make beds and do the work of a general orderly. Somebody determines whether they are fit for that type of work and they will say: If you do not do that type of work, out you go. We were going to rehabilitate you by giving you a job mopping floors, but you would not do that.

Before we get into that kind of organization I strongly urge the Minister of Veterans Affairs to take a square look at the problem and determine whether he has sufficient staff to look after the needs of veterans. If he has not, then he should increase the staff rather than seek the co-operation of charitable organizations across this country and let them get into veterans affairs in any way, shape or form. Let the minister build the department up if he has not sufficient staff to find jobs for these older fellows.

With conditions as they are and with the average condition of these old soldiers who have had to become institutionalized, the idea here is far-fetched and ridiculous, in my opinion. If there is anything these men can do, if they have any aptitude and there is employment they will find it. I think they are in a better position to determine what their capabilities are than the average welfare officer whose intentions may be good but whose ideas in my opinion are pretty far-fetched.

I just wanted to make this statement because I notice that very few people have been saying anything about this angle. I got the impression that some of the members of the committee at least were impressed and thought this was a good idea. To my mind it is not a good idea, and before we conclude

this discussion I want the minister to tell the house exactly what the department has in mind and to what extent they are considering the organization of this geriatrics proposition across the country.

There are a few other matters in the bill on which I wish to speak, but I will reserve my remarks for the clauses of the bill.

Mr. Thomas: I think I pretty well indicated my feelings on this bill when I spoke in the debate on the resolution. I agree that it is a great improvement over the act as it was before but, as I stated at that time, I do not think it goes quite far enough. I also stated that I believed any increases in war veterans allowance should be based on the cost of living index. The relationship of the present rates with those of 1939 is not in proportion at all when compared with the cost of living index today.

I also agree that section 4 is certainly an improvement. It does give the veteran who is able an opportunity to take seasonal or part-time employment. It encourages him to take employment when he can get it and contribute that much toward the welfare of the country. However, I do think they should get some sort of increase in allowance so they can have at least a reasonable standard of living. I think the maximum income allowed is too low. They can earn very little outside the actual allowance, and in my opinion that is an error. They should be encouraged to take what employment they can get because there are jobs open which do not pay enough to warrant a person working at them full time, and these men can handle those jobs quite nicely.

As previous speakers have indicated, we would like to see included wives of imperial veterans whose husbands died prior to having twenty years' residence. It does seem a shame that a woman should be penalized simply because her husband died before residing here for the required time.

As I said earlier when speaking on this bill, the property allowance could be increased to some extent without causing any hardship on the government. Although the present allowance is sufficient to cover a modest home, it should be increased, I think to such an extent that these people can at least live in a comfortable dwelling for the time they are receiving an allowance.

As I said before, this is an improvement and apparently the government are learning to crawl toward the ultimate goal. We just hope they will keep on improving this act as they go along, possibly speeding up the improvements at the next session.

[Mr. Gillis.]

Mr. Green: This bill is of great importance to the war veterans of Canada because it is a complete revision of the War Veterans Allowance Act. There has been no such revision for many years and the veterans of the country have been looking forward to a measure of this kind for a long, long time. It is important, therefore, that the measure as passed by the house now should be in the best possible form. One other reason that is the case is that it is very unlikely that there will be any changes of much consequence in the years that lie immediately ahead.

The bill as it comes back from the special committee on veterans affairs has been improved in several different ways, and I am extremely glad to be able to say that such is the case. There are, however, still two serious defects in the bill, and I come to them at once. The first is that the amount of the war veterans allowance has not been increased to the extent that it should have been increased. The second is that the permissive income or, in other words, the amount of income that a veteran may have or earn over and above the allowance, has not been made sufficiently high. I propose to deal briefly with those two defects.

First, as to the amount of the allowance, may I say this. At the present time the single veteran who qualifies for a full war veterans allowance can get $40.41 per month. Under the changes made in this bill he will be able to get $50 per month, an increase of $9.59. The married veteran drawing a full war veterans allowance will be able to get $90 per month whereas he now can get only $70.83. That is a difference of $19.17.

In addition to the war veterans allowance itself there is a special fund known as the war veterans allowance assistance fund from which a single veteran may draw an additional $10 per month and a married veteran may draw up to a maximum of $15 per month. Payments in many cases are not made in cash but by way of purchasing clothing, furniture or something that may be urgently required.

This assistance fund is based entirely on need. I have here the notice which was sent out by the department when the assistance fund was first set up two or three years ago. It stresses the fact that this fund can be drawn upon only in cases of need. This means, of course, that a veteran must first establish his qualification for the allowance itself which involves a means test, and it will continue to be a means test under this new bill. Then to get help from the fund he must pass a second means test.

The proposal made by both of the great veterans organizations of Canada—and I

refer to the Canadian Legion and the National Council of Veterans Associations in Canada—was that there should be established in this new bill a war veterans allowance of $60 a month for the single man and $120 per month for the married veteran. I have here the brief filed with the special committee by the National Council of Veterans Associations. In dealing with this question they have this to say:

Supplementation of war veterans allowance rates through the assistance fund for those who are unemployable and unable to supplement through casual earnings was at the outset regarded as practical and justifiable. However, in practice, it would appear that the supplementation in addition to the original means test attached to the war veterans allowance assistance fund has carried a secondary means test which serves to confuse and discourage worthy applicants.

Then they go on to recommend that the assistance fund payment be absorbed into the war veterans allowance itself and that there be payable a total of $60 for the single veteran and $120 for the married one. The Legion have made exactly the same submission. It so happens that their great national convention took place while the sittings of this special committee were being held. At that convention the Legion officials received a unanimous endorsation of the brief which had been submitted to our committee. There is therefore no question whatever as to where these great veterans organizations of Canada stand on this question. They believe the figures should be $60 and $120.

Then to come to the second main defect which is the amount of permissive income; at the present time, under the law as it now stands, that amount is $125 for the single veteran and $250 for the married one. In other words he can earn or get by way of interest or in any other way up to $125 or $250 over and above his maximum allowance. For some strange reason this new bill we are considering tonight cuts that figure to $120 for both the single man and the married one. In their brief the Legion dealt with that change in the following way:

. . . the Canadian Legion feels that a retrograde step has been taken in proposing the reduction in permissible income from other sources to $120 a year for both single and married veterans instead of the previous $125 and $250. An increase, not a reduction, seems indicated.

The National Council of Veterans Associations also dealt with the matter. They said:

It is quite obvious that the extremely limited ceiling applicable at present and contemplated in Bill No. 181 now before the house and affecting war veterans allowance, has not been sufficiently realistic in facing the problems of living costs under present-day conditions. In fact, the extremely low ceiling is reminiscent of the traditional poor-law philosophy—that the unfortunate should be grateful for a pittance.

This question of the amount of permissive income is of great importance. The Legion pointed that fact out by giving examples. I am going to read these examples to the committee because they clearly show how important it is to allow a higher permissive income. Here is the first case they mention:

First, there is the individual not physically able to do a full day's work. He may be competent, or with his wife be competent, to handle a part-time job such as janitor of a school or church, watchman, or some other work which provides regular employment but the labour is light and the pay is small. He cannot qualify as a casual labourer for his earnings are regular, his income from this work may be smaller than war veterans allowance alone would give him, and neither earnings nor war veterans allowance taken separately is sufficient to support him.

Then they go on to quote from a letter written by the wife of a veteran in Alberta, as follows:

Whilst my husband was in hospital our minister offered us a three-room house with light and water and $50 a month. I told him we could not accept the salary, but would oe glad to accept the house and light free in exchange for caretaking of church property, but that we had better consult the W.V.A. board first. We have just received the letter tonight, and believe it or not, if we take this house and light and donate our work to the church the W.V.A. will deduct the rent value from his allowance.

Then the president of the Legion went on to read from the Legion brief:

I am quite sure the members of this committee will sympathize with the lady when she exclaims: "In the name of God what kind of system is this?"

Then the brief deals with another type of case, as follows:

In addition to recipients who can do work such as this, there are families who, finding it impossible to live on W.V.A. and the husband unfit for work, the women have to go out to work, and this at an age when that certainly should not be required of them, to earn enough to keep the home going. Meagre as their earnings seem to be they are more than W.V.A. would bring, but not a great deal more. Here the husband has a heavy psychic burden as well as his physical disability to bear.

Then they say:

Then there are individuals, thrifty and provident, who over the years have earned for themselves a small retirement pension of $25 or $50 per month. Not enough to live on, but enough to be a very great help if W.V.A. were permitted to bring their income up to a subsistence level.

In other words, if the ceiling on permissive income were raised, then these veterans and their wives would be able to get a decent income on which to live.

Then the Legion dealt with the case of pensioners in these words:

Finally, there is the disability pensioner, who is entitled to W.V.A.

Because, of course, his pension is so small. I continue:

The last pension increase he received did him no good, for he suffered a corresponding decrease in W.V.A.

That is what happened last year with these particular veterans, as we pointed out during the debates.

Many of these men find their war wounds an increasingly grave handicap, and these, coupled with their physical disabilities, may make them completely unemployable. Under the proposed legislation—

They are referring to this Bill No. 181.

—a 50 per cent disability veteran, if married and totally unemployable, can get but little assistance under the W.V.A.; the single man none at all.

I repeat, it is of the greatest importance that there be an increase in the permissive income allowed to these veterans.

All we need to do is compare the permissive income allowed under old age assistance. I hold in my hand the Old Age Assistance Act which was passed last year. It applies of course to people between the ages of 65 and 70. Both single persons and married persons are allowed a permissive income of $240 a year over and above the amount they get by way of assistance. There can be no justification for treating the veteran more harshly than the treatment given the recipients of old age assistance.

You may wonder, Mr. Chairman, why we did not have these changes made when the bill was before the committee, and of course that is a very proper question. Well, the answer is that we did our best to have the bill perfected in committee, but we were unable to make any progress. We ran into a government stone wall. I have here the proceedings of the committee for May 23. On that date we commenced to consider this bill by sections and my colleague, the hon. member for Hastings-Peterborough, moved this amendment:

That the committee recommend that the government give consideration to introducing legislation during the present session of parliament which will give effect to the representations submitted to the committee by the Legion and national council of veterans that the rates of allowance and the maximum total incomes set out in the schedules to Bill 181 should be increased.

There was an amendment to that motion moved by one of the government members on that committee. It was finally ruled out of order by the chairman, and a different amendment was substituted for it by another government member, which is to be found in the proceedings of June 5.

Mr. Mutch: On a point of privilege, the chairman did not rule it out of order. The amendment was moved and carried.

Mr. Green: The parliamentary assistant has not been listening.

Mr. Mutch: That is possible.

Mr. Green: The amendment was moved by the hon. member for Provencher.

[Mr. Thomas.]

Mr. Mutch: He withdrew it.

Mr. Langlois (Gaspe): It was withdrawn; state the facts.

Mr. Mutch: On a question of privilege, the hon. member is a stickler for the book. I indicated, after the hon. member for Provencher had withdrawn his amendment, that I probably would have ruled it out of order on the grounds urged by the hon. member who is now speaking, in spite of the fact that he destroyed his first premise with his second one. The fact remains that I was not called upon to do it. The hon. gentleman did withdraw his amendment. I have to answer for what I did, not for what I did not do.

Mr. Green: My point is, whether it was ruled out of order or withdrawn, a new amendment was substituted by another government member, and it read as follows:

That all the words after the word "that" to the end of the question—

He was here referring to the motion moved by the hon. member for Hastings-Peterborough.

—be struck out and the following words be substituted therefor: the committee recommends to the government continued and sympathetic study of the needs and requirements of recipients of war veterans allowance keeping in mind the recommendations of the veterans organizations in that respect and particularly with regard to permissive income.

To that amendment the hon. member for Royal moved a subamendment as follows:

. . . by adding thereto the following words: and give consideration to introducing legislation accordingly at the present session.

That subamendment was ruled out of order by the chairman who is the parliamentary assistant, who just interrupted me. We appealed his ruling. It was supported by a straight vote of government members, with all the opposition members of all parties voting against the ruling and the hon. member for Fraser Valley abstaining.

When we got down to the sections of the bill an amendment was again moved by my colleague, the hon. member for Royal, recommending that the government give consideration to increasing the amounts in the schedules to this bill, which contain the figures both of allowances and of permissive incomes. That too was ruled out of order by the chairman of the committee. We again appealed his ruling. Again every Liberal member voted in support of the ruling with the exception of the hon. member for Fraser Valley, who voted with the members of the three opposition parties. Therefore, Mr. Chairman, we did our best to see that these changes were made at the present session

because time is of great importance to these veterans. These are front-line Canadian veterans having to exist on a subsistence level, and time means a great deal to them. They may die by next year if they cannot get a proper allowance.

Certainly they should not have to wait a year to have the ceiling raised. The amendment moved by government members in the committee would indicate that there is some possibility of the government making that change. Well, it will be a great tragedy if the change does not come before another year. We had that experience last year with pensions, the refusal of the government to make a proper increase in the pension rate. There was delay. Then last fall, finally, an increase was put through. It may be that we will have to go through the same procedure with regard to war veterans allowances.

I cannot urge upon the government and my fellow members too strongly that these changes should be made now, before this session closes. The rates should be increased to $60 and $120, and the amount of permissive income should be increased as well.

It seems to me that, for the first time, this war veterans legislation is now being influenced by social assistance legislation. Attempts are being made to place the veteran on the basis of the civilian social legislation. The Legion pointed that out in their brief when they said:

> It appears from the legislation before you that the government, in suggesting rates and allowances, has been influenced to some extent by legislation in the field of social assistance. However we would strongly suggest that this proposed legislation affects men and women who have served this country honourably and well in time of war.

Those words sum up the situation very clearly. If this legislation is not put into proper shape before the close of this session, the government may well find itself faced with a request to abolish the means test in connection with the war veterans allowance. After all, the means test was abolished for civilians at 70 years of age, and the war veterans allowance was made payable at 60 on the basis that the veteran who had front-line service was pre-aged to the extent of ten years. It will not be easy for the minister to justify a refusal to abolish the means test in the case of veterans on war veterans allowance and to allow the veteran at 60 to have whatever amount of income he can earn.

There is nothing more one can say. The case is there for a proper increase, and for a proper amount of permissive income. All we can do is leave the problem on the doorstep of the minister and the government. If they wish to be fair with these old comrades of ours, who in the first great war helped save this nation, and fair to the younger men who did it again just a few years ago, then there will be no hesitation in bringing the allowance up to the right amount at the present session, as well as bringing up the amount of permissive income.

Mr. Lennard: Mr. Chairman, as a member this session of the committee on veterans affairs, let me say I agree in principle with everything said this evening by the hon. member for Royal, the hon. member for Cape Breton South and the hon. member for Vancouver-Quadra.

I fully realize that Bill No. 181, respecting allowances for war veterans and their dependents, has been considered by the government, and sets out what the government proposes to do in respect of war veterans allowances at this session. That is clearly indicated. I hope, however, that the shortcomings of the measure pointed out in the briefs of the various veterans organizations, and by members on the veterans affairs committee, will be considered by the Minister of Veterans Affairs, by his department and the government, and that those shortcomings will be remedied.

I would hope that we would have another committee on veterans affairs at the next session of parliament, that these shortcomings would be rectified, and that the government would bring in a new act to include all the legitimate requests made by the various organizations interested in the matter. It has been pointed out tonight that the war veterans are receiving something far short of what they should get.

I would hope in particular that the widows of imperial veterans, who in many cases resided here almost the required 20 years, might receive proper consideration. We know of cases where husbands have died just before completing 20 years of residence. I think of one case in particular where there had been residence for 19 and a half years, just a few months short of 20 years. Yet widows in that position are denied any assistance. Surely that is something that should be rectified; indeed, it should have been done at this session.

Mr. Herridge: Mr. Chairman, as a member of the veterans affairs committee may I support what has been said by the hon. members for Vancouver-Quadra and Royal, who have said many things I would have liked to say. I heartily support the proposals they have made, and trust the minister was listening carefully so they may bear fruit.

Mr. Pearkes: Mr. Chairman, I was not a member of the special committee on veterans affairs at this session. Perhaps therefore I

may be permitted to voice my disappointment at the results the committee was able to achieve.

The advantages and disadvantages of the bill have been explained. One is pleased to see that this seasonal allowance is being introduced. But I do venture to say that while a number of veterans who are recipients of war veterans allowances will be able to get some form of seasonal work during the summer months, far more recipients of war veterans allowances will not be able to get those jobs because, even in the summer months, jobs for elderly men are limited.

I regret to see that the increase in the allowance is not greater. The total income now permitted for a single man, as I understand, is $720 a year, and for a married man $1,200. Those amounts seem pitifully small. When one thinks of other pension schemes in existence and being considered at the present time, he cannot help feeling that the committee lost all sense of proportion. If the house approves of this meagre increase, and the meagre amount of permissive earnings, then I feel it, too, will have lost all sense of proportion.

The claim may be made that these veterans did not make any contribution to their allowances, pensions or insurance schemes, whatever they may be called. I say these men made their contributions by service. They have not been in a position to make large contributions to any generous pension scheme. I hope before this session closes the members of the House of Commons will bear in mind the amount that they are now "generously" allotting to these old soldiers.

Mr. Montgomery: Mr. Chairman, I do not feel I would be doing my duty if I did not get up and say a few words on this bill because in the last few years I have had considerable to do with veterans affairs. I want to thank the government for going as far as they have gone with this legislation, but in my opinion the bill still lacks some sections which should have been included. One of the sections which I think should have been included is one dealing with veterans who served in England during the first great war. Today many of those veterans who do not happen to be pensioners are unable to obtain this allowance because England was not considered to be a theatre of war.

Those men may have been kept in England through no fault of their own. I know from experience—this is a matter which we may have to face in future years—that many soldiers were kept in Canada during the second world war through no fault of their own. They were good, reliable soldiers but their commanding officers would not permit them to go over because they required good men here. Many veterans of the first world war may have been kept in England because of their ability to fill certain positions, because of their ability to carry on their jobs. I feel that they should be given some consideration in the legislation now before this committee.

Another point I should like to take up is that which has been dealt with by previous speakers. I contend that the ceiling, if you wish to call it that, is not high enough. In fact I submit there should not be any ceiling at all. We should permit these veterans to earn whatever money they are able to earn at whatever work they can get. They would then feel that they are contributing something toward their own support, that they are part of our economic life, that they are not just cast off and depending entirely on charity. That is the way you make them feel when you tell them that they can earn only so much.

If a married veteran has a family—I happen to know a few who have—$1,200 is not enough to permit them to more than barely exist. I do not know what the process is, but I would hope that this legislation could be reconsidered and amended, at this session if possible, so consideration could be given to veterans who served in England during the first war and to also raise the amount of permissible income a veteran may earn, either married or single.

There are many veterans who would like to do some work. They would like to think that they were at least helping to earn their own living. Under this legislation, if they are going to receive a war veterans allowance, they hardly dare go out and earn anything. It is like the story of the old woman related by the hon. member for Vancouver-Quadra. Some of these men just cannot understand this legislation. They cannot understand why they are not permitted to work and have the allowance when they are willing to work.

Section agreed to.

Section 2 agreed to.

On section 3—*Veterans, widows and orphans.*

The Chairman: The resolution which was carried a moment ago and referred to this committee contained an amendment to this section.

Mr. Lapointe: This is one of the sections to which an amendment was agreed in committee, and I would now ask my colleague the Postmaster General to move it.

Mr. Cote (St. Jean-Iberville-Napierville): I move:

That in paragraph (a) of subclause one of clause three the words: "sixty-five" be deleted and the word: "sixty" be substituted therefor.

Amendment agreed to.

Section as amended agreed to.

On section 4—*Employable veterans.*

Mr. Green: Will the minister explain the effect of this section?

Mr. Lapointe: This section was amended in the committee but the amendment contains no new principle. It was an amendment to facilitate administration in the case of recipients who wish to revert to the benefits under section 3 of the act. In their case it was found advisable to make such an amendment, and it was purely for clarification purposes.

The Chairman: Perhaps I should inform hon. members that the amendments contained in the resolution adopted earlier affect sections 3, 6 and 31 of the act. In the case of other sections there were amendments made in the committee.

Mr. Green: As I understand it, the amendment to this section was not included in the resolution passed earlier; it was made in the committee and will be found in the reprinted bill.

Mr. Mutch: That is correct.

Mr. Lapointe: When there is no new principle involved it is not necessary to make a formal amendment in the committee of the whole.

Mr. Gillis: Are you now proposing to deal with sections 3, 6 and 31?

The Chairman: I was merely pointing out that some clauses of the bill were amended in the special committee on veterans affairs, but this evening we passed a resolution providing for amendments to sections 3, 6 and 31, and that resolution was referred to this committee.

Mr. Gillis: We are now only dealing with section 3?

The Chairman: Section 3 as amended has been carried. Apart from sections 6 and 31, when I refer to a clause as amended I mean a clause amended in the committee on veterans affairs.

Section agreed to.

Section 5 agreed to.

On section 6—*What receipts not income.*

Mr. Gillis: I think the minister should clarify the purposes of this section which deals with exempt income. Clause (f) reads:

(f) receipt of money or assistance from any province or municipality by way of mothers' allowance or by way of relief to dependent children.

Any outsider reading that clause will automatically assume that a widow in receipt of veterans allowance may also receive a mothers' allowance from the province. The minister will remember that I asked in committee whether this section dealing with exempt income was discussed with the provinces and if the provinces indicated they were willing to pay a widow a mothers' allowance if she was in receipt of a war veterans allowance. The answer I got, partially in the committee and partially off the record, was to the effect that there was consultation with the provinces and that in British Columbia and the western provinces generally there was some understanding. The understanding is to the effect that the total amount of the war veterans allowance as laid down by the War Veterans Allowance Act and the total amount of the mothers' allowance paid by the province will not both be paid. The war veterans allowance can supplement the mothers' allowance or vice versa. However, I understand that in the provinces from Quebec east no understanding was arrived at. I assume that a widow who may be on mothers' allowance in such a province and who can qualify for war veterans allowance will automatically cease to draw mothers' allowance when she applies for war veterans allowance.

Of course she is better off financially under the War Veterans Allowance Act. However, in the interest of saving members and departmental officials a lot of correspondence on this matter I should like the minister to make a brief statement explaining paragraph (f) of subsection 1 of section 6 so far as exempt income is concerned, because as it reads now the assumption is that one can draw both.

Mr. Lapointe: With reference to the remarks made by the hon. member for Cape Breton South, actually this subsection is simply putting into the act what has been the policy of the board. I know the hon. member will understand that the most that can be done under any legislation passed by this parliament is to put in the act the necessary clause to permit payment of war veterans allowance when there is legislation in a province under which the recipient may also receive assistance. However, the payment of needy mothers' allowance is made under provincial acts in all the provinces, and when a particular provincial act will not allow payment of mothers' allowance when she is already in receipt of war veterans allowance there is nothing much this parliament or the department can do to amend the provincial act which sets out the conditions under which their payment will be made. There are some provinces where mothers

can receive both the war veterans allowance and the payment under provincial legislation. Others have not seen fit to do that, and we can do no more than pray that some day they will permit payment as is done elsewhere.

Mr. Gillis: That is exactly what I wanted to get on the record. That is the position in so far as the Department of Veterans Affairs is concerned, and this legislation provides that that can be done.

Mr. Lapointe: Yes.

Mr. Gillis: If the provincial statutes are amended to permit it being done, and some of the provinces have gone that far.

Mr. Lapointe: We pay anyway whether or not they pay. This is another clause concerning which an amendment was agreed to in the committee, and I would now ask my colleague, the Postmaster General, to move:

That subclause 1 of clause 6 be amended by inserting after paragraph (h) the following:

"(i) Interest on bank deposits and bonds and dividends on shares in the capital stock of any company to the extent of $25 per annum from all such sources;" and by relettering the present paragraph (i) as paragraph (j).

Mr. Cote (St. Jean-Iberville-Napierville): I so move.

Mr. Green: That has the effect of putting back into the act the paragraph taken out by the amending bill.

Mr. Lapointe: Exactly.

Mr. Mutch: It is a little wider.

Mr. Brooks: The amount is exactly the same as it was in the old act.

Mr. Lapointe: Yes.

Amendment agreed to.

Section as amended agreed to.

Sections 7 to 29 inclusive agreed to.

On section 30—*Veterans described.*

Mr. Green: The hon. member for Cape Breton South raised the question of the widow of an imperial veteran who cannot qualify for war veterans allowance because her husband died before he had been here for twenty years. I suggest to the minister that he give consideration to having section 30, subsection 4 (b), which defines the residence qualification, changed to make it a domicile qualification. If it were worded to the general effect that the imperial veteran was domiciled in Canada before the 1st January, 1931, that would meet these cases and I think would be more in line with the actual wishes of previous veterans affairs committees. If the minister will recall, the group of imperial veterans who were intended to be covered were the group who came here in the twenties. They had all come here by the end of 1930. I think there were practically none who came here after that time. There may be some coming now, but there were practically none between 1930 and the end of the second world war.

What we really were trying to do was cover the group who came here in the twenties; but instead of wording the definition to provide for those who were domiciled here by the end of the year 1930 we put it the other way around because the provision was only made in 1950, and we said it would apply to those who had resided in Canada for a total period of at least twenty years. There is no similar definition in the War Veterans Allowance Act. In other cases the test of domicile is used. For example, the minister will find that expression used in line 4 on page 12 of the bill. It refers to the imperial who was domiciled in Canada before the first war and then went overseas and served in the imperial forces. He has had eligibility throughout, the test being that he was domiciled in Canada before he went overseas in the first world war. I believe the test for this other group of imperials who came here after the first world war should be based on whether or not they were domiciled here before the end of 1930. If that were done the widows would all be covered and no widow would be ruled out provided her husband was actually domiciled in Canada before the end of 1930. I would ask the minister for his comments on that suggestion.

Mr. Lapointe: Mr. Chairman, following the remarks of my hon. friend, I will be very glad to consider the suggestions he has made. I am not aware of the full implications of such a change, but to my mind it would involve a change in principle. I would not like to commit myself at the present time but I will certainly consider his remarks.

Mr. Green: The suggestion is that you strike out the words "has resided in Canada for a total period of at least twenty years" and substitute "was domiciled in Canada prior to January 1, 1931."

Mr. Mutch: This is an ingenious device conceived for the express purpose of breaking the ceiling which was put on the legislation when the imperial veterans were brought under the War Veterans Allowance Act. It is improper to suggest that was defined by the committee which wrote that legislation or the house which adopted it. The twenty-year clause was designed, perfected and brought forward by those people who sought

that benefit. As my hon. friend knows, because he was on the committee, those people came forward and said that was their final proposition. There had to be some definition under which they could qualify for benefit.

As my hon. friend knows, and as all the members of the committee know, benefits of this legislation flow from the veteran himself. Consequently if he is not qualified his dependents do not qualify.

I do not want to elaborate at the moment, but it is not correct to say that a change in the qualifying period would not be a change in principle. It definitely would be a change in principle. I am not arguing whether it should or should not be done at the present time, but I am saying for the benefit of the house that it does involve a change in principle, an abandonment of the principle upon which provision was made for wives of imperial veterans.

Mr. Green: I do not suppose the imperial veterans association gave any thought whatever to the widows. The matter probably did not cross their minds. The twenty-year clause is primarily related to the year 1930. That is why twenty years was put in, because they were going back to the year 1930. The legislation was passed in 1950 and the twenty-year residence qualifications was made then.

I am not trying to bring in any ingenious methods to break any ceilings or do anything of that kind. I simply suggest the test should be on domicile here before the end of 1930.

Mr. Mutch: I do not dispute that, but my point is that we should not argue or pretend that it does not mean an abandonment of the original principle behind the legislation. It does.

Mr. Gillis: I do not agree with the parliamentary assistant's analysis of the proposal put forward by the member for Vancouver-Quadra, when he says that it would in any way change the principle upon which the War Veterans Allowance Act was established.

Mr. Mutch: I did not say that.

Mr. Gillis: The parliamentary assistant stated a few moments ago that all the benefits of the act flow from the veteran himself.

Mr. Mutch: That is right.

Mr. Gillis: Yes. If the act were amended to make the suggestion of the member for Vancouver-Quadra operative that would in no way change the principle. What we are arguing about now is the widows' position. If the veteran had lived in Canada for twenty years he would have been eligible for war veterans allowance.

Mr. Mutch: That is not in dispute.

Mr. Gillis: By an act of God he did not live in Canada for the full twenty years. He was short a few months and passed on. That does not in any way change the benefits that flow from him.

We have already amended the act to make it applicable to the Canadian soldier who passes away in Canada. The benefit of the act is transferred to the widow. The need of the imperial veteran's widow is exactly the same as the Canadian veteran's widow. The benefit is a right that flows from the soldier to the widow because she is in need at this time. We are setting up a discrimination as between the need of the ex-imperial widow in Canada and the Canadian widow; and the pension should go to her because of need as it goes to the Canadian veteran's widow.

If the minister took the proposal under consideration and it were enacted we would remove an injustice and a discrimination. I do not think the amount involved is sufficient to have us quibbling year after year about this. This did not start yesterday in the veterans affairs committee; it started a good many years ago. We have included here what amounts to a discrimination and an injustice, and changing it would not affect the principle as I see it. I cannot help but feel that the application of this suggestion would save a lot of time in the future. I know the member for Vancouver-Quadra is going to continue to talk about this, and I am going to help him. The committee even passed it up in their recommendations to the house. The committee did not recommend anything on it.

Can the minister say that his department will take this under consideration, and may we hope that at the next session we will be able to avoid this discrimination and injustice?

Mr. Green: It is eleven o'clock but I would ask the minister to give some thought to it this evening.

Mr. Lapointe: There are only two sections of the bill left and I do not think they are controversial. The house might carry on and let me ask for an amendment to the next clause which will only take a minute to read.

Mr. Brooks: I quite agree with the hon. member for Vancouver-Quadra. We should make the amendment now.

Mr. Lapointe: I said very clearly that I would certainly consider the remarks made by the hon. member for Vancouver-Quadra, but it is not my intention to move any amendment to this act to put this proposal into force at the present time.

Section agreed to.

War Veterans Allowance Act

On section 31—*Continuation of allowances.*

Mr. Lapointe: I would ask my colleague the Postmaster General to move that:

Subclauses two and three of clause thirty-one be deleted and the following substituted therefor:

(2) Every person who, immediately prior to the coming into force of this act, was in receipt of an allowance under the War Veterans Allowance Act, 1946, may be paid an additional allowance equal to the amount that he would have been eligible to receive under this act in respect of the period between the first day of January, nineteen hundred and fifty-two, and the coming into force of this act, if this act, except section four, had been in force during that period, less any amount that he was eligible to receive under the War Veterans Allowance Act, 1946, in respect of that period.

(3) Every person (a) who was awarded an allowance under the War Veterans Allowance Act, 1946, whose allowance was discontinued and and was not being paid immediately prior to the coming into force of this act, for the reason that the amount of his income rendered him ineligible for the allowance, or (b) who, prior to the coming into force of this act, applied for an allowance under the War Veterans Allowance Act, 1946, but was not granted the allowance for the reason that the amount of his income rendered him ineligible for such an allowance, may apply for and be granted an allowance in respect of the period between the first day of January, nineteen hundred and fifty-two, and the coming into force of this act equal to the amount that he would have been eligible to receive under this act in respect of that period if this act, except section four, had been in force during that period, less any amount that he was eligible to receive under the War Veterans Allowance Act, 1946, in respect of that period.

Mr. Cote (St. Jean-Iberville-Napierville): I so move.

Amendment agreed to.

Section as amended agreed to.

Section 32 agreed to.

On schedule A—*Table of allowances.*

Mr. Knowles: Just before schedule A carries, and in just a word or two, I feel that I should express once again my regret that the figures set out in these schedules are $50 a month and $90 a month, single and married, rather than the figures of $60 a month and $120 a month which were proposed so often on the floor of this house and which were proposed by the Canadian Legion. It seems to me this parliament is not being fair to our burnt-out veterans by asking them at this time to accept these figures when the higher figures certainly were in order and should have been written into this legislation. I earnestly hope that even yet the government will consider the higher figures of $60 a month for a single veteran and $120 a month for a married veteran on the burnt-out pension.

Mr. Brooks: The schedule, of course, is the main part of this bill. It was the schedule which received the most opposition in the committee. As the hon. member for Vancouver-Quadra pointed out, we asked that it be brought back and be reconsidered by the house. I do not feel that I could agree to the schedule passing without again registering a protest against it.

Schedule agreed to.

Schedule B agreed to.

Bill reported.

Mr. Deputy Speaker: When shall this bill be read the third time?

Some hon. Members: Now.

Mr. Brooks: Next sitting of the house.

Mr. Green: Next sitting.

Mr. Deputy Speaker: Next sitting of this house.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we will take up the third reading of Bill No. 181, respecting allowances for war veterans and their dependents; Bill No. 366, to incorporate the Belleville harbour commissioners; and the resolution of the Minister of Finance to introduce a bill entitled "An act respecting currency, the Royal Canadian Mint and the exchange fund." Then we will consider the estimates of the Minister of Defence Production and the other items of the Minister of Trade and Commerce; then the estimates of national defence, veterans affairs and public works.

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

HOUSE OF COMMONS

Tuesday, June 24, 1952

The house met at eleven o'clock.

BUSINESS OF THE HOUSE

DEPARTMENTAL EXPENDITURES IN PROVINCE OF QUEBEC—AMENDMENT OF QUESTION

Mr. Alan Macnaughton (Mount Royal): On a question of privilege, I should like to amend the second paragraph of question No. 18 on today's order paper standing in my name. I should like to change the figures "1951-52" to "1950-51" in the last line of the second paragraph.

Mr. Speaker: Agreed?

Some hon. Members: Agreed.

GRAIN

REPORT ON TRANSPORTATION OF CROP

Hon. Lionel Chevrier (Minister of Transport): I am aware of the keen interest which the hon. members of this house have had in the transportation problem of the 1951 grain crop and I thought a brief report on the situation to date would be helpful. The figures which I will put on the record have reference to the period August 1, 1951, to June 12, 1952.

Latest estimates of anticipated marketings from the 1951 crop are 720·4 million bushels. Total marketings from the 1950 crop were 564·6 million. Actual marketings from August 1, 1951, to June 12, 1952, are 619·6 million bushels compared to 479·9 million bushels during the same period in 1950 and 1951 from the 1950 crop. Marketings this season have been greater than at any other similar period in the history of the Canadian grain trade. Car loadings at country points have increased 33 per cent over last year from 221,747 to 295,554 cars.

Total rail and vessel shipments from the lakehead for the present crop year total 370·3 million bushels compared to 223·4 last year, an increase of over 63 per cent.

Shipments to terminals on the Pacific coast this season total 104,947,000 compared to 50,-970,000 during the same period in the previous crop year, more than a 100 per cent increase over last year.

Total overseas clearances in the same period are 266·3 million bushels compared to 146·5 million bushels from the 1950 crop.

Clearances from the port of Montreal alone since the season opened this year have been particularly large, over 35 million bushels having been shipped compared to 17·7 million for the same period last year, an increase of over 100 per cent. Shipments this season are already greater than at any time in the past in a similar period. Total export clearances from St. Lawrence river terminals since the opening of navigation are 51·4 million as compared to 20·9 million for the same period in 1951.

It should be borne in mind that this last year's crop has been a most difficult one to handle. A seriously delayed harvest last fall, coupled with very poor weather, brought large quantities of out-of-condition grain to market. Salvaging this grain only aggravated an already serious transportation problem. In addition, there has been the problem of getting the immediately saleable grades and types into export channels to meet the excellent demand for our grain abroad.

I think all hon. members will agree that this is a tremendous transportation accomplishment, credit for which should be given in full measure to all the interests concerned, railways, shipping companies, elevator and government employees, not the least of which is the transport controller under whose direction this effort has been achieved.

[*Later:*]

On the orders of the day:

Mr. P. E. Wright (Melfort): May I direct another question to the Minister of Transport (Mr. Chevrier) based on the statement he has just made in the house. I am sure that we all appreciate the tremendous efforts which the railway companies have made to move forward the present crop. Has the minister information as to the amount of grain presently in store in country elevators, the estimated amount on farms, and what the weekly loadings are at the country elevators? We would then have some idea of what the position might be on July 30.

Mr. Chevrier: The figures that I have on hand are comparative only and indicate that for the year August 1, 1951, to June 12, 1952, there were 295,554 box cars moving out of country elevators. I have no figures of the number of bushels in country elevators but I can get that information and send it to my hon. friend.

Mr. Wright: Perhaps the minister could get it and let us have it tomorrow.

IRRIGATION

SOUTH SASKATCHEWAN RIVER—INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Mr. J. G. Diefenbaker (Lake Centre): I should like to direct a question to the Prime Minister in connection with the present position of the commission on the South Saskatchewan river dam and irrigation project. Have any interim recommendations been made? When is a report expected, and is any consideration going to be given to that report in so far as early commencement of the work during the present session is concerned?

Right Hon. L. S. St. Laurent (Prime Minister): Earlier this morning the hon. member was kind enough to send to my office a notice of his intention to ask this question. The only answer I can make at this time is that for the last three months or more the work has been prosecuted very vigorously by the commission. About the middle of April the secretary of the commission reported orally and then confirmed in writing to the Acting Prime Minister that the commission had found it necessary to retain the firm of Mannix Limited of Calgary to prepare an estimate of the owners' cost of the project. On June 6 I received from the secretary a letter informing me that this would mean an increase over the previous estimate in the expenditures the commission would incur in performing its duties. For that reason in the supplementary estimates that have been tabled a supplementary item has been included in order to cover that additional expenditure. There has been no other recommendation than the one for the money necessary to cover what the commissioners considered it was necessary to do. There have been no other recommendations about it to date.

I know that the commission realizes the government's anxiety to get the report at the earliest possible date. From conversations I know that the commissioners are doing their best to meet that desire. I should not like to fix a date. They have not been able to tell me just exactly when their work will be completed. I can say that it will not be within the next few days, and there will not be an opportunity of receiving or of communicating their report to members of parliament just at this time. I can assure the hon. member that we realize that not only the public of Saskatchewan but the public generally do not like to see unexplained delays in the performance of these tasks that are considered of general public interest. The commissioners fully realize that fact, just as we do. The best efforts will be put forward to avoid any justifiable criticism in that regard.

Mr. Coldwell: I should like to ask a supplementary question. Did I understand from the Prime Minister that the report is expected? I understood that the commission contemplated the holding of public hearings in the province of Saskatchewan. Are those public hearings to be undertaken, and are they to commence soon?

Mr. St. Laurent: I cannot say whether or not there will be public hearings. My understanding is that the commissioners expressed to the government of Saskatchewan their readiness to provide public hearings if that was desired. I do not know whether there has been from the government of Saskatchewan any indication in that regard. That is not something that is going to hold matters up. Everything is proceeding as fast as it can be done. I am sure that if the government of Saskatchewan felt that public hearings were not absolutely necessary and that they might be apt to occasion delay, they would waive that matter.

Mr. Coldwell: I did not understand that was the suggestion of the government of Saskatchewan. I understood that the commissioners themselves suggested that they hold public hearings.

Mr. St. Laurent: They suggested that they would be quite ready to have public hearings if the government of Saskatchewan felt that it would be desirable to do so.

BUSINESS OF THE HOUSE

QUESTION AS TO PROROGATION OR ADJOURNMENT

On the orders of the day:

Mr. Solon E. Low (Peace River): May I ask the Prime Minister whether he is in a position now to tell us whether, when we finish the business that appears on the order paper, this house will be prorogued or adjourned?

Right Hon. L. S. St. Laurent (Prime Minister): That is a matter which is at present being actively canvassed and considered. Within the next day or two I hope to be able to make an announcement about it to parliament.

OLD AGE PENSIONS ACT

COLLECTION OF CLAIMS BY PROVINCES AGAINST ESTATES—QUESTION AS TO REPEAL

On the orders of the day:

Mr. George A. Drew (Leader of the Opposition): I wish to direct a question to the Minister of National Health and Welfare. In

view of the fact that the Old Age Security Act came into effect on January 1 of this year, is it the intention of the government to continue in force the earlier Old Age Pensions Act under which the provincial governments are now called upon to collect claims against many thousands of pensioners' estates, some of which would, of course, have arisen just a day or so before the new act came into effect?

Hon. Paul Martin (Minister of National Health and Welfare): I thank the hon. gentleman for having given me notice of his intention to ask this question. As he knows, the Old Age Pensions Act was a co-operative measure in which the provinces as well as the dominion government paid contributions, the dominion government to a substantial extent.

The government has written to all of the provinces asking whether, from their point of view, there is any objection to the repeal of the Old Age Pensions Act. To date only one province has replied to signify that it has no objection. Two provinces, Ontario and New Brunswick, have, however, raised certain issues. Those issues are now being discussed. As soon as the clearance has been obtained from the provinces, it is the government's intention to repeal the act.

STRAWBERRIES

QUESTION AS TO IMPORTATION FROM HOLLAND

On the orders of the day:

Mr. Howard C. Green (Vancouver-Quadra): Is the Minister of Agriculture in a position to make a further report concerning the importation of strawberries from Holland?

Right Hon. J. G. Gardiner (Minister of Agriculture): Mr. Speaker, a few days ago, in reply to a request made by the hon. member for Fraser Valley (Mr. Cruickshank) and also by the hon. member for Vancouver-Quadra (Mr. Green), I promised to get the information with regard to strawberries and it is as follows:

In recent weeks various complaints have engaged the attention of officials of this department of the depressing effect on processors' buying prices of quotations on Holland strawberries in SO_2.

According to our information the delivered duty paid cost of SO_2 strawberries at Montreal is 12¼ cents a pound for one variety and 13½ cents for another; and 14 cents f.o.b. Rotterdam or approximately 17½ cents a pound delivered duty paid at Montreal for frozen strawberries in 30-lb. tins.

The SO_2 product is usable only for second grade or "pectin" jam. Fresh or frozen berries are required for "pure" jam or for canning.

We are informed that no orders have been placed for Holland strawberries by Montreal or Quebec jam makers, but that with an abundant crop in sight processors are buying at 10 cents a pound, with some purchases as low as 8 cents. Hail yesterday afternoon will have shortened the supply in one main source, the Isle of Orleans.

In Ontario, where the provincial marketing board has set a minimum processors' buying price at 15 cents a pound against 18½ cents in 1951, we learn that processors' purchases have been mainly at 17 cents to 18 cents a pound; that drought has shortened the crop in principal commercial acreages; and that the jam manufacturers are long on strawberry jam and even have some carry-over of SO_2 strawberries from 1951; but that various small orders have been placed for SO_2 strawberries from Holland.

British Columbia canners and jam makers are buying local strawberries freely at 12 cents per pound. The production of No. 1 or "pure" jam is higher in this province than in eastern Canada. One large operator contacted this morning replied that no orders for Holland strawberries have been placed or are contemplated by his company, and expressed doubt that competitors will buy any against good supplies of locals at 12 cents a pound. Another, an extensive jam maker, made the same statement of his company's intentions and of doubt that any orders have been placed or will be placed for Holland strawberries. I think the statement indicates that we have supplies in Canada to meet requirements.

WAR VETERANS ALLOWANCE ACT

AMENDMENTS RESPECTING ALLOWANCES FOR WAR VETERANS AND THEIR DEPENDENTS

Hon. Hugues Lapointe (Minister of Veterans Affairs) moved the third reading of Bill No. 181, respecting allowances for war veterans and their dependents.

Motion agreed to and bill read the third time and passed.

HARBOUR COMMISSIONS

BELLEVILLE—INCORPORATION

Hon. Lionel Chevrier (Minister of Transport) moved the second reading of Bill No. 366, to incorporate the Belleville harbour commissioners.

Mr. Green: Will the minister make a statement on this bill?

Mr. W. M. Benidickson (Parliamentary Assistant to the Minister of Transport): Mr.

Speaker, I do not think that this bill will be found controversial but perhaps a short statement would be in order. The bill was introduced in the Senate and referred to a committee of the other place. It follows generally the form and terms of other bills to incorporate harbour commissioners, notably the one recently before this house dealing with the Port Alberni harbour commissioners.

It repeals chapter 35 of the statutes of 1889, an act respecting the harbour of Belleville, in the province of Ontario. It is considered that that statute is not adequate to meet present needs. The boundary lines are extended beyond those now in effect and will include the whole natural enlargement of the bay of Quinte. The proposed commission will consist of the mayor of Belleville and two commissioners appointed by the governor in council.

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, I presume that there will be no objection to this bill, but I suggest to the parliamentary assistant that it should be sent to the standing committee on railways, canals and telegraph lines for consideration. That was done with the bill to amend the Toronto Harbour Commissioners Act and I think it is a good practice to follow in connection with any of these harbour commission bills.

There would be an opportunity in the committee to give the proposal more careful study and anyone who wished to make representations against the bill would have an opportunity to do so. I realize that it is most unlikely there will be any opposition, but I think it is a good practice to refer such bills to the committee. The parliamentary assistant has given only a brief and sketchy explanation from which it is not possible for us to really decide as to the merits of the bill and I suggest that it be referred to the committee.

Mr. Benidickson: Mr. Speaker—

Mr. Speaker: If the parliamentary assistant speaks now he will close the debate.

Mr. Benidickson: Mr. Speaker, there is no objection to referring this bill to a committee, but on the other hand perhaps some consideration should be given to the members of that committee in view of the fact that even the hon. member for Vancouver-Quadra (Mr. Green) has suggested that the bill is not controversial. It was referred to a committee of the other place at which time interested parties had an opportunity to appear and express their views. I understand that there were no representations made.

[Mr. Benidickson.]

I have discussed the bill with members whose ridings are close to this particular harbour, the hon. member for Hastings South (Mr. Follwell) and the hon. member for Hastings-Peterborough (Mr. White), the latter a member of the hon. member's own party. I should like to hear from other members of that committee as to whether they feel that it would be desirable to refer this bill to the committee. There is no objection that I know of, either from the city of Belleville or from any other source.

Motion agreed to and bill read the second time.

Mr. Chevrier moved that the house go into committee to consider the said bill.

Mr. Green: Mr. Speaker, if you leave the chair it will then be too late to have the bill referred to the committee.

Mr. Chevrier: If I may just add a word to what has been so well said by the parliamentary assistant: The principal people concerned in this legislation are, first, the members of the harbour commission, the members of the municipal corporation of the city of Belleville, and the hon. members of this house who have been referred to. They are anxious to have this bill put through. There is nothing contentious in it as it follows the same pattern as earlier bills. I do not think that any good purpose would be served by sending it to the committee. I hope the house will find it possible to consider it in committee of the whole.

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

On section 1—*Short title.*

Mr. Green: Could the parliamentary assistant indicate the difference betwen this bill and the bill being repealed? Apparently there has been a harbour commission for sixty-three years.

Mr. Benidickson: I mentioned that the boundaries are being extended. The personnel of the commission will be the same, being the mayor of Belleville and two members appointed by the governor in council. The real difference is that the old act did not really incorporate the commission as such. There has been some litigation and it was held that certain leases entered into by the so-called Belleville harbour commissioner were not valid because there was not an incorporation under the old act.

Mr. Green: Is there any change in the borrowing powers?

Mr. Benidickson: No, the powers are very similar.

Mr. Green: I presume under the old act the commission had no legal power to operate if it was not a legal entity.

Mr. Benidickson: They had the power to borrow over the years. They functioned and acted as a corporation but did not sign their documents as three individuals which it was held they should have done rather than as a corporation.

Mr. Macdonnell (Greenwood): The lawyers have grown more critical.

Section agreed to.

Sections 2 to 12 inclusive agreed to.

On section 13—*Lawsuits.*

Mr. Green: Under clause 13, what will be the position with regard to any claims arising for actions taken or omitted prior to the passing of this bill?

Mr. Benidickson: I believe there has been a settlement of the litigation to which I referred and it is not anticipated that there will be further actions. The new harbour commission will have the right to make new leases which must be submitted for approval to the governor in council. No doubt they will want to validate the former agreements they made which were held to be somewhat faulty so far as strict legality is concerned.

Mr. Green: The bill has no retroactive effect?

Mr. Benidickson: It has no retroactive effect, and the litigation to which I referred is the only litigation of which we have knowledge.

Section agreed to.

Sections 14 and 15 agreed to.

On section 16—*Revenues of corporation.*

Mr. Fraser: Can the parliamentary assistant say what the revenues were in 1951?

Mr. Benidickson: In the year ended December 31, 1951, harbour dues amounted to $17,757. Ordinary operating expenses amounted to $8,346 and expenditures that were considered capital were an additional $10,161, leaving a net deficit of $750 which of course was made up from previous surpluses.

Mr. Fraser: How much of the $8,346 was paid in salaries?

Mr. Benidickson: Wages and salaries amounted to $600.

Mr. Fraser: That included the commissioners' salaries, if any?

Mr. Benidickson: It included payment to the harbour master and such.

Section agreed to.

On section 17—*Expropriation proceedings under the Railway Act, R.S.C., c. 170.*

Mr. Green: Clause 17 is the one giving the corporation the power to expropriate. Was that power contained in the old act or is this a new provision?

Mr. Benidickson: I would think that would be in the old act. I have not got it before me, but of course that is similar to other acts that have been passed by the house, notably the port of Alberni act to which I referred.

Section agreed to.

On section 18—*Power to borrow and issue securities.*

Mr. Green: There appears to be no limit on the borrowing powers of the corporation. Is it not customary to set some ceiling?

Mr. Benidickson: They are the usual powers, but you will notice that they must obtain the approval of the governor in council.

Section agreed to.

Sections 19 to 31 inclusive agreed to.

Title agreed to.

Bill reported.

Mr. Speaker: When shall this bill be read the third time? Now?

Mr. Knowles: By leave.

Mr. Fournier, Hull (for Mr. Chevrier) moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

FINANCE

ADMINISTRATIVE CHANGES RESPECTING CURRENCY, THE MINT AND THE EXCHANGE FUND

Hon. Douglas Abbott (Minister of Finance) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure intituled, "An act respecting currency, the Royal Canadian Mint and the exchange fund," providing therein for certain administrative changes, and repealing the Currency Act, part II of the Department of Finance and Treasury Board Act, sections twenty-eight, twenty-nine and thirty of the Bank of Canada Act and the Foreign Exchange Control Act.

Mr. Adamson: Is the minister going to make a statement?

Mr. Abbott: At the convenience of the house I thought I would make a short statement when we are in committee.

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

Mr. Abbott: Mr. Chairman, the purpose of the bill which this resolution seeks authority to introduce is essentially threefold:

(1) to bring up to date the provisions of the old Currency Act;

(2) to bring up to date the legislative provisions relating to the Royal Canadian Mint; and

(3) to repeal the Foreign Exchange Control Act and in its stead bring back into force the general provisions of the Exchange Fund Act of 1935.

While the resolution appears to cover a wide and important range of subjects, it is only to provide for the introduction of a bill that consolidates and brings more up to date existing legislation dealing with the related subjects of currency, the mint and foreign exchange. It is fairly technical in character but introduces no changes of major significance. When the bill has been given second reading I would hope it would meet with the approval of the house that it should be referred to the standing committee on banking and commerce in order that the technical provisions of the bill may be more fully explained before that committee.

Mr. Macdonnell (Greenwood): Before the bill goes to the committee I should like to ask the minister to say a word at this stage about that part of the resolution which refers to the exchange fund.

Mr. Abbott: Perhaps I should have added that when I move second reading of the bill I will make a slightly more comprehensive statement than I am doing at the resolution stage. I merely indicated that when it has been given second reading I would hope it might be referred to the banking and commerce committee.

Mr. Adamson: Mr. Chairman, does the bill include the abolition or rescinding of that part of the Bank of Canada Act which covers the purchase of gold at $20.67?

Mr. Abbott: Yes.

Mr. Adamson: I am delighted to hear that.

Mr. Abbott: There is a provision which deals with that.

Mr. Blackmore: Would the minister outline in some detail the exact effect of these changes to the Bank of Canada Act? He must have the act before him and would he just give us a general comment on the effects?

Mr. Abbott: I felt that it would be more appropriate to deal with the provisions of the bill and the principle of the bill when I moved second reading. That will not be today but certainly it will be at an early date.

Resolution reported, read the second time and concurred in.

Mr. Abbott thereupon moved for leave to introduce Bill No. 390, respecting currency, the Royal Canadian Mint and the exchange fund.

Motion agreed to and bill read the first time.

SUPPLY

Hon. Douglas Abbott (Minister of Finance) moved that the house go into committee of supply.

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

DEPARTMENT OF DEFENCE PRODUCTION

80. To provide capital assistance for the construction, acquisition, extension or improvement of capital equipment or works by private contractors engaged in defence contracts, or by crown plants operated on a management-fee basis, or by crown companies under direction of the Minister of Defence Production, subject to approval of treasury board, $85,000,000.

Mr. Green: Mr. Chairman, there are two or three questions I should like to ask the minister with regard to this item which is for $85 million. The general purpose as I understand it is to provide assistance to war industry and I notice that in the supplementary estimates there is what appears to be a further vote of $25 million.

Mr. Howe: That is correct.

Mr. Green: That would make a total of $110 million.

My first question is this: Has any consideration been given by the department to using some of this money to assist in bringing to Canada industry which would be useful for defence production and which we do not have in the country at the present time? There must be specialized industry in Great Britain and on the continent which could be of great help if it were to become established here in Canada, and I am wondering whether the vote is wide enough to give the department power to make expenditures for that purpose, and whether the government has any policy along that line.

It always seems to me so perfectly clear that if conditions are as bad as we believe them to be, and if they should finally result in a third world war, then the industries in Great Britain particularly and also those on the continent would be subject to atomic attack; and it would be very, very difficult for them to carry on their production. Just

as a matter of safety there seems to be a good deal of merit in transplanting as many key industries as possible to this continent.

I do not intend to go into the matter further but I would ask the minister if he would deal with this question. I have one or two other questions as well.

Right Hon. C. D. Howe (Minister of Defence Production): Mr. Chairman, it is the policy to bring firms from the continent, and particularly from the United Kingdom, to Canada provided their production is needed in the defence program. The vote is not wide enough to bring a firm to Canada and provide capital assistance if the company has no place in the defence program. If the full production of a new plant in Canada is required for war production we bring it—and we have brought several plants here. One is the Sperry plant which makes a special line of instruments never before made in Canada. SKF make special roller bearings used in aircraft work. Lucas Rotax of the United Kingdom make fuel systems not only for aircraft built in Canada but also for aircraft built in the United States. That is a big industry. Steel Improvement makes blades for the turbines in airplane jet engines. Peacock Brothers make special equipment used in the naval escort vessel program. One very large capital expenditure is being made to expand the turbine production of English Electric. We had a small turbine production here in Canada and that is to be expanded very considerably. The turbine designed by English Electric in the United Kingdom is to be built here in quantities sufficient to supply the turbines for the escort vessel program.

Those are the examples that occur to me at the moment but I would say there is no provision in this vote to bring English talent or continental talent if the facility is not required for defence work.

Mr. Green: But it can be done under this vote?

Mr. Howe: Yes. My hon. friend will understand that all property acquired under this vote is property of the crown. New arrangements would have to be entered into if the present operator wishes to continue on a peacetime basis. The equipment is installed for war production only and rental agreements or purchase agreements would be necessary if the occupant wishes to use the same equipment for peacetime production.

Mr. Green: I take it there would not be a great deal of difficulty in working out some arrangement that would allow these firms to carry on in peacetime.

Mr. Howe: No. We try to get the best competitive prices but we also try to work out an arrangement with the occupant of the plant if he gives an indication that he can carry on successfully in peacetime.

Mr. Green: What part does the Department of Defence Production play in deciding whether or not a firm shall qualify for depreciation? I realize there must be great difficulties in working out a fair plan to follow out the policy, but I have had some suggestions from the west coast that the time has now come to widen the power for taking depreciation. Apparently some of the smaller firms find that they are not able to qualify for the depreciation, and it may be that we are now in a position where some provision should be made for firms which, to date, have not qualified for such depreciation. Will the minister tell us what the situation is in this regard?

Mr. Howe: Yes, Mr. Chairman, the issuance of certificates providing for deferred depreciation is administered by the Department of Trade and Commerce, but probably that does not matter so far as this discussion is concerned. The regulations governing the issuing of certificates are fairly well outlined by the orders in council which have been tabled. There are certain types of production that are regarded as essential which automatically qualify a firm for the depreciation allowance. Then there are others that can qualify if they are essential to the defence effort; that is a qualification for the judgment of the minister. Some latitude is allowed in the case of a plant that can contribute, even indirectly, to the defence effort.

The list of conditions providing approval has been broadened from time to time, and I believe we are getting near a point where consideration can be given to repealing that legislation or at least rendering it inoperative. The situation has been recently made uncertain by the steel strike. The purpose of the regulations was twofold: first, to check the building boom which was contributing to inflation, and second, to conserve materials for the defence effort. Probably the first objective is no longer as important as it was at the time the regulations were issued, but the second objective becomes more important as a result of the stoppage of steel supplies from the United States. We shall have to re-assess the effect of the steel strike before we can arrive at a termination date.

I believe that at this time a termination of the regulations is indicated rather than a further relaxation. It would be difficult to be fair if the regulations are relaxed further. Within the limits of the regulations now, we can have an administrative staff that can

establish a sharp dividing line between projects that qualify and projects that do not qualify. If the regulations were broadened it would be difficult to find that sharp dividing line.

Mr. Green: The minister thinks that once the steel strike is settled, it might be possible to remove the restriction altogether?

Mr. Howe: I would not like to indicate that that could be done immediately. I say that after the strike is over we can assess the supply situation, and probably determine a date at which the regulation would be removed. I would expect that termination date would be a few months subsequent to arriving at the decision.

Mr. Green: The situation was put very clearly by one of my correspondents. He said:

> . . . we feel the restrictions should be released to give all industry an opportunity to purchase capital equipment to keep their plants up to date and modernize their operations so they will be in a position to be at their best as far as manufacturing is concerned, in preparation for any eventuality which might come along.

I think that this particular firm—I have no doubt others are in the same position—is finding it difficult to keep equipment up to date because the depreciation is deferred. I would hope it would be possible fairly soon to do away with these restrictions.

Mr. Howe: I might point out that the penalty for not being able to write off depreciation immediately is not severe so far as equipment is concerned. A firm loses nothing in the long run because the equipment is eventually all written off. Nevertheless, as I have said, consideration will be given later in this year to removing the provision.

Mr. Black (Cumberland): I am interested in the statement of the minister respecting the encouragement to the introduction into Canada of industries that have been established in Great Britain and the countries of continental Europe. He has named a number of such industries, and it would appear to me that those industries represent a considerable amount of capital and employment, having regard to the volume of materials required in those industries. I would point out to the minister the special claim of the maritimes with respect to the establishment of new industries of this kind. The maritime provinces, and especially Nova Scotia, have not fared well in this respect in either of the wars—in fact, since confederation. Many of our native industries have been transferred to central Canada and in recent years we have suffered greatly from a lack of industry.

I recognize that the minister has given some encouragement to the establishment of defence industries in that part of Canada within the last few years. He has always expressed a willingness to expand that policy. I want to make an appeal again to the minister for special consideration by his department with respect to the establishment of such industries in the maritime provinces. If the minister has some statement that would be of interest to that part of Canada, I think it would be quite appropriate for him to make it now and I would be greatly interested in any statement relating to the transfer of industries from Great Britain or continental Europe to the maritime provinces.

Mr. Howe: Mr. Chairman, an effort is made to distribute capital assistance as widely as possible across Canada. I believe we have had some success in the maritime provinces. I have not a list before me at the moment, but Fairey Aviation of Canada has been established substantially through capital assistance. Employment in the plant is expanding. Cossor (Canada) Limited have had capital assistance in establishing themselves in Halifax, and that is an industry that was transported from England. It is thriving in the maritime provinces. In the town of Amherst, which my friend knows something about, substantial capital assistance has been given to Enamel and Heating Products Limited, to allow them to make aircraft components on a large scale which will give employment to people of the area. The Trenton Steel Works has been assisted to the extent of $2·9 million. That is for the production of rotor forgings for our shipbuilding program. The Saint John Drydock has been given substantial capital assistance. There are other firms, and I am sorry that I did not bring a list, but I think the hon. member will find that if there is any firm in the maritimes that is ambitious to undertake a defence contract, every encouragement will be given and capital assistance granted, if that is indicated as a requirement.

Mr. Thatcher: There is one matter I should like the minister to clear up for me, if he can. It is in connection with aircraft production, especially as related to T-33A. I noticed from the evidence given in the special committee that in the United States these aircraft cost about $93,500, and yet when we build them in Canada they cost us $277,000. It would seem to me that in most instances where we are building these in Canada, it is costing us about $115 million. If that is not correct I wish the minister would give an explanation of it, because it seems a pretty serious procedure to me.

Mr. Howe: It is very difficult to assess costs against aircraft. The tooling up has to be charged against the first quantity, and the costs then come down substantially. The costs here are shown as pre-production, $50,000; production costs, $90,648,000; tooling costs, $10,643,000; royalties $2,137,000. Then there is about $15 million more for spares and ground handling equipment. The cost per aircraft will depend entirely on the number that are required. At the moment we have an order from the R.C.A.F. It was not possible to purchase the planes outside Canada. They just were not available, and therefore to carry out our duties for procurement we are tooling up to manufacture the aircraft. If we can write the tooling costs off against twice the number of planes now on order the costs per plane will decrease. My information is that in another contract that Canada has for the Sabre aircraft our manufacturing costs in Canada are slightly lower than the manufacturing costs in the United States. I think probably when the final accounting is made on the T-33, it will show the same results.

Mr. Thatcher: May I add one more sentence? Mr. Drury said:

> Our known requirements at the moment do not extend beyond this figure of 576 for the three-year program.

I would take it from that there will not be any more of these planes built. It seems to me that we would be better off to go to the United States and buy these. I suggest that they could save money. The sum of $115 million is a fantastic amount to pay simply so that the planes may be made in Canada.

Mr. Howe: I would agree that we might be better off to go and buy them in the United States but there is an "if" there: if we could buy them. But we have information that the production capacity in the United States is fully booked for the foreseeable duration. Mr. Drury states the Canadian requirement. In almost every case of Canadian production there is a subsequent requirement from elsewhere tacked on to the Canadian production. For example, we have the Canadian production of Sabres; we also have production for the United Kingdom of Sabres and we also have the United States requirements for Sabres manufactured in Canada. It is very difficult to theorize about the production of aircraft because development of programs change the situation very materially. What looks to be an expensive aircraft at one stage turns out to be a low-cost aircraft at another stage, owing to the fact that the pre-production costs and the tooling costs are spread over a greater number of aircraft, and that the improving skills of the workers bring down the cost of producing subsequent aircraft.

If at some time my hon. friend is interested I shall show him a typical production curve which discloses a very sharp drop during the production of the first 100 aircraft and a decelerating drop carrying on throughout the length of the contract. Unless you can foresee at what point on the curve the production will be terminated, it is impossible to give an accurate forecast of the cost of the aircraft.

My hon. friend wants to close off at the Canadian requirements and say, that is it, that is what we are going to charge Canada, then it would be cheaper if we could buy them somewhere else. I would agree in theory, but I am not prepared to take that under the circumstances. Our experience is that if we have aircraft in production there is always a market for them during the defence build-up.

Mr. Low: Have we been able to get the engines?

Mr. Howe: Yes, we have the engines.

Mr. Low: Up until recently it was difficult?

Mr. Howe: We are only scheduling the building of aircraft to meet the availability of engines, but for the T-33 we are using a British engine which is in relatively good supply.

Mr. Blackmore: The minister, I think, is quite certain that we are going right into a war; at least we are getting ready to go into a war. In connection with providing for Canada's defence needs in case of war, while sugar supply is just a little off the beaten path, I think it is fitting that we bring it up here. The minister remembers something about our sugar difficulties during the last war. He remembers that instead of expanding our production of beet sugar, which we neglected to do, we had to depend on outside sources. The result was that sugar was rigidly rationed considerably below the ration allowed in the United States during the war.

It looks to me as though in all the fine things the minister is saying about defence industries he is making no provision for an adequate supply of sugar for the Canadian people if we cannot get that sugar from abroad. In case war breaks out no one can possibly foresee the difficulty which will be encountered. Any ships that we get from outside Canada will be carrying other things. The bottoms that we would ordinarily use to bring sugar into the country will be used for other purposes. All these considerations, it seems to me, should indicate to us the wisdom of making adequate provision for the production of our own sugar. It would not

take any more than probably $50 million wisely invested all across Canada, in the maritimes, Quebec, Ontario and the prairie provinces, where beet sugar can be produced, to provide the factories to produce the sugar that will be needed during the next war, rendering us secure.

It may be argued that we shall not have any need for this productive capacity after the war, but I would say that we shall have much more need for that kind of production after the war than we shall have for the type of production that is being envisaged in the factories that we are building for aircraft and other munitions of war. I am just wondering whether or not the minister has given attention to the advisability of expanding Canada's beet sugar production facilities to meet possible needs such as I have indicated.

Mr. Howe: While Canada is not self-sufficient in sugar, the British empire is self-sufficient in sugar. I cannot think of any worse calamity to the West Indies than for Canada to produce all her sugar requirements from beet sugar. The West Indies are dependent on this market. The market has been open to them and was open to them during the second world war. While we did have to be a little careful—perhaps it would be good for most of us to be a little careful about the amount of sugar we take—the Canadian food supply has not been seriously crippled by lack of sugar. Canada is a trading nation, and I think we should avoid trying to become self-sufficient in anything just for the sake of doing that. I think we should produce those things that we can produce most economically and furnish a market to other allied countries for the things that they produce in surplus, hoping that they will continue to furnish a market for the things that Canada produces in surplus. Of all the countries of the world Canada is in the least danger of being crippled in the matter of food supply, and I think it would be unwise to spend any part of this vote for stepping up Canada's food supply.

Mr. Blackmore: I appreciate the minister's position. It is the orthodox one that was told me fifteen years ago. I believe it is fallacious, nevertheless, and I will tell the minister why. It was not very long ago that he gave a talk in Montreal in which I thought he displayed much wisdom. In that talk he said we were endeavouring to decrease our vulnerability as a nation. That must mean that Canada is getting more and more to the point where she is able to produce what she needs. What other meaning could the minister have in mind in using the word "vulnerability"? While Canada is safe in the main in respect of food, the one important food in which she is not safe in the event of a serious turn in the world situation is this very item of sugar. For Canada to be vulnerable in respect of sugar is utterably fantastic when you consider the fact that Canada can economically produce sugar in large quantities in so many areas of the Dominion of Canada.

There is another respect in which I think the minister should qualify his position; it is this: He speaks of our keeping ourselves free from producing sugar in order that we may provide a market for some other countries. That is a fine, altruistic attitude to take, but it just happens that we do not take that attitude with respect to any other commodity than sugar, as far as I know.

Mr. Howe: Oh, yes; we do.

Mr. Blackmore: I would be interested to be instructed. But as far as I know sugar is the only food which we can easily produce and which we do not produce in adequate quantity to supply our own needs in case of war. That state of affairs requires quite a good deal of justification.

There is one more aspect to this thing. We are rapidly getting to the point—and I am sure the minister, with the breadth of vision that he has, sees that the time is coming when this will be the situation—when there are not going to be enough external markets for the production of goods in the Americas. No matter how we try to find external markets enough, we are not going to be able to do so. We must have some other means of distributing the production of this continent into the hands of the needy people through the world; by that I mean some other method than the one we have been using up to the present time. I am not going to go into details as to how that is to be done, but it must be done. If men like the minister are not thinking about how to do it, probably they will wish they had done so, and so will the people who are relying on them with such complete confidence as we are relying on the minister at the present time. We simply must find a way of getting the surplus production from America into the hands of the 1,500 million people who are obliged to go to bed hungry every night. When a means of that kind is discovered, it will not be at all difficult to distribute the sugar which is produced by the British commonwealth. Until a means of distribution such as the one I have indicated is discovered, there will be difficulty for everybody to find markets—in the British commonwealth as well as in the United States.

I do not think that the minister's argument there is particularly valid; I do not think it is nearly as valid as are most of his arguments. I still maintain that we would be well advised

to make provision now, before we get into too many difficulties, for the production of at least all the sugar that Canada needs.

There is one more little aspect to this thing which is extremely important. As the minister knows, while the war was on we were told that we could not increase the ration of sugar for Canadians because we needed the sugar for various military purposes. The minister knows those military purposes quite as well as I do, or better. Those military needs for sugar were exceedingly urgent. They were extremely important. Why not have all of our sugar produced in Canada so as to assist in supplying our military sugar requirements? I think that is an argument which will appeal to the minister, as he thinks it over. So I say once more in this chamber, just as I said many times before world war II: Let us get ourselves ready to produce our own sugar. It will be a blessing to us from every standpoint and it can do us no harm whatsoever.

An hon. Member: Oh, yes.

Mr. Blackmore: One hon. member says "Oh, yes". I shall be glad to take the hon. member on in a debate on this subject.

Mr. Hellyer: How will our friends get Canadian dollars to buy our products?

Mr. Blackmore: If I caught the hon. member's question correctly, he asks what the difficulty is. May I point out that one year it cost 28 million United States dollars to buy our sugar. I think my hon. friend will recognize that that is a serious item. If there is any one really serious anxiety to Canada, it is the danger of an adverse trade balance with the United States. Nearly every bit of sugar we buy from abroad works down to United States dollars in one way or another.

Mr. Hellyer: How?

Mr. Blackmore: A great deal of it is brought from areas that require United States dollars. The important thing is for the hon. member to read up on the subject and to come back here; then I will debate with him on this subject. I maintain that there is no single line of development economically in Canada that will be more in the interests of Canada than the development of the beet sugar industry all across this country.

Mr. Green: Has the minister checked the situation with regard to the manufacture of electronics on the west coast? Apparently about two weeks ago an eastern firm by the name of Canadian Aviation Electronics Limited announced, with quite a big splash, in Vancouver, that they would be providing all the electronic radar needs for west coast defence. There are already several firms there which I believe are well able to do this type of work. They resent this other firm walking in, presumably with the contracts. I do not know what the actual picture is; but perhaps the minister can tell the committee just what has happened there.

Mr. Howe: With regard to the firm mentioned, no order has been given for production on the west coast. I am told that the firm denied that they made the statement that was quoted in the paper. I read the first announcement with somewhat of a shock. There are several firms on the west coast which made a fine contribution in electronics in the last war. Those firms are being used in the present defence effort. The trouble with the electronic program has been that considerable time is required for design and development before equipment can be put into production. That program is really just coming into production now. I think that firms on the west coast which are capable of doing that work can look forward to the same sort of treatment which they received in the last war which I think they found to be quite satisfactory.

Mr. Macdonnell (Greenwood): When the defence estimates were before the committee on the last occasion, the minister was good enough to arrange for the deposit of the contracts which were discussed that evening. Among those contracts was one with Avro, and with regard to that contract I want to ask some questions. The contract actually was considerably earlier in date than, I think, the other contracts which were deposited. However, I do not know that we need to go into that matter. Actually I think the contract was made before the passing of the Defence Production Act. But again, as I say, I do not think I need to labour that point. What I want to do in general is to ask the minister some questions about the financing of Avro—that is A. V. Roe (Canada) Limited—and also to ask him some questions about the production.

First of all, my general objective is to find out how much public money has gone into Avro; how much, if any, private money has gone in, and the results achieved. One of the motives in working up the Avro enterprise was, I think, a natural and proper motive, namely doing our own construction here. Mr. Deisher, vice president and general manager of A. V. Roe Limited, speaking in February, 1946, said this:

> We are going to build aircraft designed to suit Canadian conditions. Canada has always built the other fellow's product. Now we are going to have aircraft that are Canadian from the drafting board to the stars.

Here are my questions. The first question I should like to ask is this. What were the

arrangements with Avro in 1945 when the government made available the real estate, buildings and equipment previously controlled by Victory Aircraft? That is my understanding of the first transaction. I suppose it can be worked out in terms of investment. There must have been a figure at that time. Will the minister answer that question?

Mr. Howe: At the close of the war we were able to sell the Canadair plant to private interests and we were anxious to do something with Avro. The government was hardly in a position to enter into competitive aircraft manufacturing. The plant was called Victory Aircraft in those days. The Avro interests came out from England to discuss the matter and after a good deal of discussion we decided to let them operate the Victory plant on a temporary basis to see whether they could make a success of it.

An arrangement was entered into in 1945 that they would take over the management of the plant at a rental of 50 per cent of the profits on the operation. There was the usual peacetime amount of aircraft repair work to be carried out. At the same time we asked them to take over the work that the government had been doing in the development of a jet engine. The production of the jet engine was financed at the Avro plant. There were also supplies in the plant which had to be liquidated, and Avro took over that responsibility for government account. That arrangement carried on until 1948 and I think a modest profit was made in each year, 50 per cent of which was paid to the government as rental.

By 1948 the work in the plant had been liquidated; that is, the government stocks in the plant had been liquidated and we entered into negotiations with Avro to purchase the plant. The result was that the plant was purchased by Avro at a sum close to $2 million, which was paid in cash.

Then in 1949 the R.C.A.F. through the Minister of National Defence came forward with a proposal to undertake the design of a long-range, twin-engine, all-weather fighter, and of the jet engine to power the fighter. It was the wish of the R.C.A.F. that Canada be independent as far as the defence of Canada in the air was concerned. It was felt that there was no existing aeroplane suitable to meet Canadian requirements, which was the coverage of long distances without refuelling. Therefore that work was assigned to A. V. Roe and has been carried out by them subsequently. The engine and the aircraft are now coming into volume production.

Mr. Macdonnell (Greenwood): As I understand it, from 1945 until 1948 A. V. Roe was on a kind of agency-rental basis under which they paid rent out of the earnings. Then in 1948 they paid $2 million cash. How much was the government investment at that time? Presumably there would be a figure on your books indicating that.

Mr. Howe: It was about $6 million. The plant was bought for $2 million. My hon. friend will appreciate that a special purpose plant cannot be sold for the full value when there is no work in sight to justify the investment of $6 million. It must be sold at a discount. We were anxious to bring some United Kingdom designing experts in to Canada and it was decided that it would be good business for the government to sell that plant to Avro for $2 million.

Mr. Macdonnell (Greenwood): What advances have Avro had since that time? One hears various figures, some of which I am sure are exaggerated, but there must be a specific figure of the total advances up to the present time.

Mr. Howe: Since Avro has been the agent of the government to build an engine plant there has been an authorized expenditure of $37,797,000 to date. That engine plant is separate from the A.V. Roe property, as my hon. friend probably knows. It is in Malton, but in a different area. That engine plant is wholly owned by the government. Expenditures have been authorized to the extent of $5,580,000 for the expansion of the aircraft facilities at the old plant that Avro own. Pre-production expenses at the present time stand at $35,492,050 and total capital pre-production and development $104,277,600.

Mr. Low: Does that include the $37 million?

Mr. Howe: Yes, that is the authorized expenditure for buildings and tools bought for government account and owned by the government; that is capital included in this vote.

Mr. Adamson: That is on the aircraft, not on the engine?

Mr. Howe: Both.

Mr. Macdonnell (Greenwood): Let me see if I have these figures right. There was the original amount of $37 million. What is the operating arrangement in connection with that As I understand it, the government set up this plant and Avro was to operate it.

Mr. Howe: That contract has not been finalized. There will be a fee paid to Avro for operating the plant, but it has not been worked out as yet.

Mr. Macdonnell (Greenwood): When was the plant begun?

Mr. Howe: It was begun about the summer of 1950 and is just being completed.

Mr. Macdonnell (Greenwood): Let me see if I have these figures correct. The first figure I have is $37 million; then there is a figure of $5 million; then there was the pre-production figure of $12 million, making a total of $54 million. Then I understood the minister added $73 million, which would give a total of $127 million. Am I right?

Mr. Howe: No; I think I can straighten it out. Capital investment to date is $27,163,200; development expenses for both engine and aircraft, $41,622,350; pre-production expenses, $35,492,050. There is a figure here of $17,182,000 for production of aircraft and spares. Total payments to date amount to $121,459,700.

Mr. Macdonnell (Greenwood): I gather from the minister that apart from the actual expenditure payments there are certain authorizations outstanding.

Mr. Howe: I gave the authorization for capital account and I also gave the expenditures for capital account. The difference of about $12 million represents certain development work that was not paid for when these figures were compiled.

Mr. Macdonnell (Greenwood): So the expenditure up to the moment is roughly $120 million. Does that include the figure of $16 million which the minister gave us in the committee on May 30?

Mr. Howe: What was the $16 million for?

Mr. Macdonnell (Greenwood): At page 2783 of *Hansard* for May 30 the minister said:

> This year the vote is $85 million, which includes a carry-over of $66 million from last year. That is allocated as follows . . .

Then among the various companies there is an amount of $16,176,000 for the A. V. Roe jet engine plant.

Mr. Howe: It does not include that. That was a forecast of capital expenditures for the new year. That has not been authorized yet. It is subject to review and it probably will be cut down materially.

Mr. Macdonnell (Greenwood): But something of that $16 million should be added to the $120 million?

Mr. Howe: That is right.

Mr. Macdonnell (Greenwood): Do these figures include the whole of the amount mentioned in the letter of August 18, 1950, which amended the original contract of May 9, 1949, and which increased the original amount from $6,450,000 to $19,876,000? Is that figure of $19,876,000, which is included in the letter of August 18, 1950, included in this $130 million?

Mr. Howe: It has been included to the extent that the money has been spent. I gave my hon. friend all the money that has been paid to A. V. Roe for every purpose up to date.

Mr. Macdonnell (Greenwood): I just wanted to be sure that it covered that.

Mr. Howe: It is difficult to sort out the bits and pieces here but I have tried to give the over-all figure.

Mr. Macdonnell (Greenwood): I am interested in that figure. As a matter of fact it is twice as much as I thought. I want to find out something about production. I understand that originally the plant had two or three objectives. One was the Chinook engine which, for reasons we need not go into, was not proceeded with. Then there was the jet liner and the Orenda engine. I am interested in the Orenda engine. There were some flowery speeches made about it although not by the minister. He did not make any flowery speeches but some were made and I should now like to get some facts. When did the Orenda make its first test flight? First let me read an extract from the letter of August 18, 1950, addressed to the A. V. Roe company and signed by the Canadian Commercial Corporation. It reads as follows:

> It is contemplated that the additional capital expenditure authorized by this letter—

That is the amount to which I previously referred.

> —will permit the following increases in production but no authorization in respect to production is given in this letter.

Mr. Howe: I should like to point out to my hon. friend that that letter is marked "secret". It got into the file by mistake but there is no need to read it in parliament.

Mr. Macdonnell (Greenwood): There is nothing I want to do less than to read a secret letter. I got it along with the contracts. Actually, with deference to the minister, I would not have thought this information was very secret but if the minister wants me to stop reading the letter I am agreeable.

Mr. Howe: I would prefer that it should not go on *Hansard*.

Mr. Macdonnell (Greenwood): Then I will ask my next question. When did the Orenda make its first test flight?

Mr. Howe: It is difficult to say. The engine ran for a thousand hours or more in static tests and then was put in what is called a flying test bed. In other words, it was put in a Lancaster plane that had two internal combustion engines. It was flown there and finally was put in a commercial aircraft and flown about a year ago, I believe. I went to

Toronto to see the first CF-100 powered with an Orenda engine fly about a year ago.

Mr. Macdonnell (Greenwood): I am informed that there were tests as far back as January, 1950. Am I wrongly informed?

Mr. Howe: The static testing of the engine or type testing was completed in 1950. The bringing of an engine into being from zero is a very lengthy process. If my hon. friend were to compare it with anybody else's engine from zero to full production he would find that it compares very favourably. If you try to get the story of this engine by itself it sounds like a long time, and I may say that it sounds like a long time to me.

Mr. Macdonnell (Greenwood): I can believe that.

Mr. Howe: However, if I look up the record of any other engine I find that the time is about the same.

Mr. Macdonnell (Greenwood): I am not setting myself up as an expert. I am merely asking questions. I realize what the minister says is true, that it does take a long time, but there is such a thing as a long time being too long. Again I am only asking questions. When was the first actual order placed?

Mr. Howe: We were expecting to be examined on capital assistance. If we had expected to be examined on production we would have brought different documents. I am afraid I cannot give that information, but when you are moving from development into production contracts are not very important. You place a production contract when you are sure you are in production but before that you are working on development. I do not remember when the first production contract was made. I have something here with respect to ten pre-production aircraft but that is not a production contract.

Mr. Macdonnell (Greenwood): I do not want to be un-co-operative but I am very anxious to get this information. I was interested in the minister's statement a moment ago when he said he was inclined to think it was a rather long time. I have forgotten his exact words. I am very anxious to know exactly what the time involved was. I have certain questions with regard to the contract and production situation and if the minister has not the figures I would suggest that this item might stand. There are other items with which we could proceed. I do want these figures and I think we should have them.

Mr. Howe: I may say in general that we are now in production although it is true we are not up to capacity. We are producing a commercial Orenda engine and we expect to be up to capacity by the end of the present calendar year. There is every indication that when we are at capacity the cost of the engine, including all development and pre-production costs, will compare with engines of the same thrust.

There is an active demand for this engine. We need it ourselves. We would like to power the Sabre with it and we intend to do so. When we can do that we will have a much better aircraft than the one we are producing now because the Orenda is more powerful than the American engines we are now putting in the Sabre aircraft. We also require Orendas to match the production of the Canuck, the airplane for which the engine was developed.

We believe we have a very useful engine. Our pre-production costs are not out of line we find, and everything indicates that the price of the engine will be in parallel with competitive engines and that the operation will develop into a profitable operation.

If my hon. friend wants to go into a complicated subject such as this is—and I am sure that no one else in the house does—then if he will sit down with our accountants I am sure we can go through it and check each stage. I cannot do that here. I sit down with my accountants and try to get the thing in my mind and to keep the situation in focus, but there is a great mass of detail and I do not think he can get the information that he wants by questioning me. I am sure that he cannot because I do not know all the answers. There is a very considerable amount of detail when you produce an airplane and an engine and go through the development, testing, pre-production, and tooling stages.

Mr. Macdonnell (Greenwood): I am very interested in what the minister says and although he does not know it he is making me more and more anxious to get some of these facts. I do not think he suggests that there is any difficulty in getting the answer to my question. It was: When was the first order actually placed? I want those figures and I suggest that the item stand until three o'clock. I want the figures and I have been surprised and interested in the figures we have received already.

I had in mind, after making the best inquiries I could, as I have said earlier this morning, the figure of $120 million, very different from which the minister gave us earlier. I had a figure about half that in my mind which was all I had been able to get up to the moment. I am interested in these figures and I am equally interested in the

figures on production. I am grateful too for the information we have had.

Mr. Howe: I might point out to my hon. friend that he is talking about an engine made in a government plant for government account. Everything in that engine plant has been done for a government account. I do not know why he is anxious to know when the order was placed. I suppose we would give a contract to a privately owned plant if the work were performed there—but he is talking about Orenda engines built in a government-owned plant with which no one but the government is concerned.

Mr. Macdonnell (Greenwood): I am rather surprised at the minister's last comment—that he does not know why I want to ask these questions. If I am the only one who is interested it is too bad. There are a lot of people who ought to be interested and I think this is a matter of importance. We should know what we have received for over $120 million. I accept the general statement that the minister has made that it takes a long time to produce a new type of engine. We have had very flattering references to this engine but I am just asking for simple facts. When did we give the first contract? What has happened since, and so on? Those are very simple questions which I am sure the department can answer and I suggest to the minister that I am not asking anything unreasonable when I ask to have answers to those questions. I suggest that the item stand until three o'clock.

Mr. Howe: I have no objection to that but I might point out that the questions asked have nothing to do with the item. The item is capital expenditure. I am prepared to give you every fact about capital expenditure but my hon. friend is asking about production figures and there is nothing in this vote that covers production. Production is paid for by national defence and they are the proper people to ask about production figures.

Mr. Macdonnell (Greenwood): The minister surprises me doubly. I would have thought if I had asked national defence, they would have said: Ask defence production, they are looking after the carrying out of the contracts. I am also surprised that the minister should say that we should not be interested in what we are getting for our money. The minister in effect says that we should not ask that, or that if we should ask we should ask someone else. I find that a very great surprise.

Mr. Howe: Life is full of surprises.

Mr. Macdonnell (Greenwood): I am interested and I hope I am not wholly unreasonable in wanting to know what we have received for this $120 million. The minister has made some very general comments which I am sure are interesting but they do not answer these specific questions. I think I will understand the matter when I get the answers to these questions. If the minister agrees, I suggest that the item stand until three o'clock.

The Chairman: I understood that the hon. member for York West had a question to ask.

Mr. Adamson: Yes, my question concerns the assistance to machine tool production. I have had an opportunity to visit some of our defence plants in the last year and everywhere I went the one cry, which was I think universal, was that there is a shortage of machine tools.

Mr. Chairman, the economy of this country has now reached the stage where a growing machine tool industry must be part of that economy, and I want to ask the minister what if any assistance he has given to the establishment and the enlargement of machine tool industry in Canada. I realize that machine tools, like jet engines, are not something you can produce by turning a switch. They require a very great deal of tooling up and a very great number of experts.

In England there are some firms which have been at the production of machine tools for generations, and one firm, I understand, has now been in part at least taken over by the United Kingdom government. I refer to Herbert Alfred Limited of Birmingham, one of the major machine tool builders, and one of the very finest in the world.

I wonder whether it would be possible to have a subplant or branch of that factory or organization established in Canada. I mention this because all the production plants, almost universally, have a tremendously high opinion of the product of this firm. They just simply cannot get enough of those machine tools. As a matter of fact they cannot get enough of the United Kingdom machine tools.

I realize that everything has been done to pep up or step up production of machine tools and to get English machine tools in Canada, but apparently United Kingdom production is such that it is unlikely we are going to get machine tools from the United Kingdom in any great volume. Therefore, it would seem to me desirable, Mr. Chairman, to assist in capital expenditure for enlargement of our machine tool industry in Canada. I just wonder whether the minister has any information to give to the committee on this matter.

Mr. Howe: Mr. Chairman, the machine tool industry of course is a private industry like any other. We have a healthy machine tool industry in this country. If any manufacturer of machine tools wishes to expand his plant to take care of government business only we will give capital assistance, and that has been done. My hon. friend will understand, however, that we do not just give capital assistance so that the machine tool man can build any kind of machine tool that he likes. If he receives capital assistance we own the machine tools, we own the plant and it can only work for the department. In other words, it must be used in business for the department. If the manufacturer wants to use it for something else, he must buy it or rent it. The machine tool industry is not the type of industry particularly adapted to capital assistance, though we have given capital assistance on two or three occasions.

The hon. member talks about the government bringing out plants from England. We depend on private industry. I think if the government brought out a machine tool manufacturer and set him up here in competition with existing industry, it might be a bit difficult. We do not do that. If a firm from the old country comes here and can do a job that we require to have done, that firm would qualify for capital assistance.

Mr. Adamson: Can the minister say how much capital assistance has been given the machine tool industry?

Mr. Howe: Not very much—it depends upon how you look at it. I do not want to be quoted by the opposition as saying a million is nothing. The capital assistance is probably around a million dollars. I take back that "not very much" and shall call it "that huge sum that weighs so heavily on the minds of the opposition."

Mr. Adamson: I only mentioned this one firm because I understood it was in rather peculiar circumstances. The control of this firm is now in the hands of the United Kingdom government.

Mr. Howe: They used to have a socialist government, but we are a free enterprise government.

Mr. Adamson: I entirely agree with the minister that it is not the business of government to own a plant, except where absolutely necessary.

The Chairman: The hon. member for Greenwood has asked to have this item stand—

Mr. Howe: A very unreasonable request, but perhaps we can agree to it.

[Mr. Adamson.]

The Chairman: The minister has said that some of the questions asked by the hon. member are not in order. This is a very important vote, and I should like to take the next few minutes at our disposal to examine the matter of order. It seems to me that this vote provides for $85 million for capital assistance for the construction, acquisition, extension or improvement of capital equipment or works—and so on.

Now, I understand the hon. member for Greenwood is trying to obtain some background information which would lead him to the capital assistance provided, perhaps to the company he mentioned, under this vote. If that is so, that is in order. But as the minister pointed out, when he gets into the details as to the record of the company on technical production, there may be some difficulties there in so far as relevancy is concerned. Perhaps the hon. member could enlighten the Chair on those points.

Mr. Macdonnell (Greenwood): You flatter me, Mr. Chairman, but I shall at any rate express my views. When this matter was up before, we asked the minister for these contracts, which he was good enough to arrange. This was one of the contracts, and, quite apart from the contract to which we have reference, $16 million went to A. V. Roe.

The minister made quite a point of the fact that the money goes into property which remains the property of the government. It seems to me that the mere fact that this is government property which is being operated or used does not get away from the fact that A. V. Roe Canada is actually operating this property. After lunch, I hope we can find out a little of the basis upon which this is done, because it seems to me that the minister told us that no management contract had been entered into since 1949.

My point is this. Surely, when we are spending these huge amounts of money, we have not only the right but the duty to find out whether they are being successfully spent. This is a private company, but supposing it was absolutely at arm's length, which I do not think A. V. Roe is, but supposing it was, surely we would be entitled to ask something about the record of the company which is using this huge amount of government property. Actually, you cannot get any record of the A. V. Roe Company through any of the commercial agencies, because it is a privately-owned company. When you look it up, you find nothing. The only way we can find out about the efficiency of A. V. Roe, which I submit is quite relevant, is to ask something about the record of this plant which is using this very equipment running to the tune of $127 million.

Mr. Howe: Oh, no, the equipment did not cost $127 million. That is it, you see; we release a few wild figures and then spread them on *Hansard* quite out of context in a way that may be quoted in the papers.

Mr. Macdonnell (Greenwood): If the minister will allow me, I checked the figures. I read them to him and asked if they were correct. The general figure we had was in the neighbourhood of $120 million.

Mr. Howe: For what?

Mr. Macdonnell (Greenwood): I have the figures which the minister gave us. First of all, there was $37 million which was to be put up for the engine plant; secondly, $12 million which he called pre-production figures; thirdly, what he called a production figure of $73 million. Those are the figures that the minister gave me. I do not like to use inaccurate figures, and I checked the addition. If the minister wants to go back and change those figures—

Mr. Howe: You referred to the facilities costing $116 million, and the facilities did not cost $116 million.

Mr. Macdonnell (Greenwood): Will the minister correct it, then.

Mr. Howe: The facilities cost $37 million, which we have approved, and of which $24 million has been paid. That is all the facilities cost. The rest will be for work and materials which will be translated into finished planes.

Mr. Macdonnell (Greenwood): I say that one way or another $120 million of public moneys have gone into this operation, plants and facilities, which enable it to carry on. Is that satisfactory?

Mr. Howe: If you would say, facilities, materials and work in progress, I would be satisfied.

Mr. Macdonnell (Greenwood): All right, facilities, materials and work in progress. I am as anxious to be accurate as the minister is. If I may go back, then, and complete my argument, here is $120 million of public money which is to some extent ventured in this matter. We cannot get any reports on A. V. Roe Canada, which is a privately-owned company. I submit with great earnestness, the only way we can find out about the efficiency with which this money is being spent is to get the facts as to the records. I was asking when we gave the first contract, and I propose to follow that up by asking other questions concerning what has happened since and what the situation is at the moment.

Mr. Knowles: It is one o'clock.

The Chairman: Perhaps I may add a last comment. I do not wish the hon. member to infer that I was attempting to interfere in any way with his duty to scrutinize the transaction or examine the record of whatever firm has been dealing with the government. My duty is to see that the hon. member's duty is performed at the right moment. That is my duty, and that is the only one I am performing at the moment. What puzzles me is how the hon. member is investigating the expenditure of $120 million on an $85 million vote. There must be a certain amount of that vote which is capital assistance provided to the A. V. Roe Company. I do not know how much that is, but if for instance it were $20 million, to be strictly relevant to this item the only thing that should be examined is the $20 million of capital assistance provided to the A. V. Roe. I wanted to inform the hon. member of that.

If, as background information for the examination of this $20 million of capital assistance provided by this vote, the hon. member wants to ask the minister certain questions, which he did ask, I believe that is in order, but always coming back finally to the discussion of the $20 million provided as capital assistance under this vote.

There is this matter of production. There may be a place somewhere along the line where questions can be asked about production; that is, the time at which the order was placed and other questions pertaining to the production process. There must be a place where such questions can be asked. The Minister of Defence Production has said that they should not be asked on this vote. Well, let us find out which other vote. I am sure the hon. member will be able to wait until such an occasion arises to ask his question as to production.

Mr. Macdonnell (Greenwood): May I just reiterate what I said a moment ago very briefly? Surely the whole purpose of defence production, as I understand it, is to serve national defence in getting this very kind of thing done.

As to your comment, Mr. Chairman, how we can investigate $120 million in a vote of $85 million, I think you gave the answer perfectly. The money which is going in now is going into the same pot into which other large amounts have gone. I submit finally: We have no other test of the efficiency of the spending than to find out what is produced. There are people who say we have spent this money and got nothing at all. I do not say that. They say we have got nothing in the way of actual aircraft in action. I am not saying that. But I do want to find out, and I hope the minister will not maintain

a contrary position, because I think he will acknowledge that these are fair questions.

Mr. Howe: The next logical question is, how many planes have you produced? And the next logical question is, how many engines have you produced? My hon. friend knows better than I do—he has been told repeatedly in committee—that there are security regulations covering these matters, and the answer cannot be given. He may dwell on it from three to six—and I am sure he will—but at six o'clock he will not have the information on how many planes have been produced and how many engines have been produced. Without these figures he cannot tell whether money invested there was invested wisely or otherwise. I mean the $116 million that he is talking about. He understands that I cannot give that information. Security regulations are decided by the army, and we have our instructions not to give numbers of products. He understands that. We will give him dates of contracts, but again I say that, where the government is contracting with itself, dates of contracts are less meaningful than they are if you are contracting with an outside firm.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. Howe: Mr. Chairman, the hon. member for Greenwood was questioning me about production at the A. V. Roe plant. I would call his attention to page 2743 of *Hansard* for May 30, 1952, in which I gave an analysis of the work being carried out at the A. V. Roe plant, in some detail. I have no doubt he has read that recently. I believe that in that statement is contained much of the information he desires to ask me to give at this time.

Then, as to contracts: I have a list of the contracts between the government and A. V. Roe which I shall be glad to place on *Hansard*.

First is a formal agreement made May 2, 1946, executed on April 24, 1947. This is file 18-26-28, covering design and development of gas turbine engines. It includes a provision for jigs and tools. Avro is to be paid its costs of the work plus a fee of 5 per cent, but Avro is only to get 3 per cent of its progress payments. This is amended by a formal agreement dated April 13, 1948, to provide for such capital equipment as the minister may approve.

This agreement provides that Avro will obtain an undertaking from the Hawker-Siddeley Aircraft Company Limited, that it and its subsidiary and allied companies will make available to Avro all technical information and processes which are available to any such companies in connection with the development of gas turbine engines.

This agreement also provides that the crown will make available to Avro all technical data, et cetera, relating to the design and development of gas turbine engines which are available to the crown from Turbo Research Limited. This is a former crown company, since wound up. Such data are to be used by Avro only for the purposes of this agreement.

Then, secondly, is a formal agreement made November 3, 1945, and executed on October 31, 1946. This is file 18-38-4540, covering design of jet type fighter airframes, prototypes, and spare parts necessary for the maintenance thereof during test operations. It includes a provision for jigs and tools. Avro is to be paid its costs of the work plus a fee of 5 per cent, but Avro is only to get 3 per cent of its progress payments. This is amended by three formal agreements dated January 30, 1948, November 3, 1948, and March 29, 1949, the provisions of which are covered earlier in this note.

The third is a formal agreement made May 17, 1949. This is file 18-38-87, covering the manufacture of ten only CF-100 jet fighter aircraft, known as pre-production aircraft, fitted with Orenda gas turbines, 30 spare Orendas and spares, publications, ground handling equipment, et cetera. It covers the cost of jigs and tools as approved by the minister. Avro is to be paid its costs plus a fee of 5 per cent, but is only to get 3 per cent on its progress payments.

Each of the ten aircraft was to be designed as a particular version, such as (a) dual control trainer, (b) tactical ground attack version, (c) P.R. version, special aircraft for airframe tests, et cetera.

By letter of authorization dated October 23, 1951, the ceiling of expenditure was set at $32,295,802.70 including acquisition of certain radar equipment and 2 Rolls-Royce Avon R A 2 type engines.

The fourth is a formal capital assistance agreement made December 9, 1946, file 51-R-37, covering $650,000 for equipment and office furniture for Malton and Nobel plants for use in production of gas turbine engines. Avro is to be paid its costs, but no fee.

The fifth is a formal capital assistance agreement made May 9, 1949. This is file 18-38-69, to provide machine tools and equipment and other facilities of a capital nature for the Malton and Nobel plants, for use in the production of CF-100 aircraft fitted with Orenda engines. All items of machine tools and equipment are to be approved by

the minister before acquisition, and Avro is to be paid its costs of acquisition, including engineering, planning and development costs in respect of the additional equipment, and the costs of installation and re-arrangement of the existing plant and facilities incidental to installation. No fee is to be paid to Avro.

By formal amendment No. 1, dated January 5, 1950, Avro can receive accountable advances to cover estimated expenditures one month in advance.

By letter of authorization dated August 18, 1950, Avro was authorized to acquire the following in addition to the machine tools and equipment covered by the formal agreement: New engine plants; re-arrangement of plant; additional machinery and equipment; extension of aircraft plant by 100,000 square feet. The formal agreement was to be amended to include these additional items.

By letter of authorization dated January 3, 1952, the deputy minister authorized a ceiling expenditure of $44,352,000.

The next is a purchase order dated May 14, 1951. It is file B/18-38-14, serial number 2/B/112, CDEF-101, covering main production order for the CF-100 jet fighter aircraft incorporating Orenda turbine engine, and spare Orenda engines, together with spares of airframes and engines, ground handling equipment, special tools and technical publications. Then there was a purchase order dated March 19, 1952, covering metal shipping containers for Orenda engines, at a price to be negotiated.

Purchase order under file B/18-38-139 covers the overhaul and modification of approximately fourteen Lancaster aircraft on a cost plus basis.

Miscellaneous purchase orders covering the purchase of Lancaster and other spare parts on fixed catalogue prices.

Those are all the contracts entered into to date.

Mr. Macdonnell (Greenwood): I take it that these contracts and figures to which the minister has referred would approximate the over-all figure that was given this morning.

Mr. Howe: That is right.

Mr. Macdonnell (Greenwood): Reference was made to the CF-100 for training purposes.

Mr. Howe: No. I do not like to get the record muddled up; the pre-production aircraft were not all for training purposes. There was one typical training aircraft and one typical rocket firing aircraft; in short, each one is typical of a modification of the aircraft that is intended to be put into production. There were ten aircraft of different types, in connection with each of which there is to be a pre-production model for development purposes.

Mr. Macdonnell (Greenwood): I accept the minister's correction, but unless I misheard him he did use the word "trainer". Perhaps I took it up wrongly. Do I understand that the minister feels that the question I asked before recess as to the actual date of the order for the service plane is a matter of security?

Mr. Howe: No, I gave that; it is May 14, 1951. That was item 6 on the contracts I gave.

Mr. Macdonnell (Greenwood): If there is no objection I should like the minister to tell us how many are on order, how many have been actually produced and whether they have come from an actual production line or from what was referred to in an aviation magazine as an enlarged model shop.

Mr. Howe: I cannot give that figure. My hon. friend knows from his experience in the committee on defence expenditures that the R.C.A.F. are very much against giving production figures or the total number on order. I cannot say why, but we have been informed that that is secret information and that we must observe secrecy.

Mr. Macdonnell (Greenwood): Then I shall not pursue that. I take it however that there is no secrecy about what appeared in the magazine *Aircraft,* which is referred to as Canada's aviation news magazine. The issue of March last makes a comment on production which I think should be put on the record. Certainly it is public, and accordingly I read it. This is from the issue of March, 1952, a statement by E. V. Rippingille, Jr., federal director of aircraft production, who says:

> Avro Canada has developed not only a gas turbine but they have started to move into their new engine plant and before long they will be in production. Engines produced to date have come from an enlarged model shop. The CF-100 is still undergoing test and development but, like all aircraft, it will continue to be developed until it is fundamentally obsolete. Production is slow but is being gradually accelerated.

In the same issue there is what is termed an authoritative review of Canada's aircraft industry, from which I should like to read briefly as follows:

> It is unfortunate that engineering difficulties with the CF-100 have slowed its production and delayed its getting into squadron service. It is a fact that this is an aircraft under development and as such it can't be hurried along.

And then later:

With few Orendas likely to be available before the beginning of 1953, it is improbable that any of the Sabres will be powered with this engine. By this time, too, enough CF-100's should be coming along to absorb all the initial production of Orendas.

I pass from that to ask another question which I think has been discussed in the defence expenditures committee. Is the CF-100 being fitted with modern air-to-air armaments?

Mr. Howe: Again I am told that the armament on fighter aircraft is security information. I should like to make some comment on that subject, but I cannot.

Mr. Macdonnell (Greenwood): I do not know what comment I can make on that except that there ought to be a caucus of the departments. I have one or two more questions and I know the minister will be glad to be told that I am not going to take three hours, but only a few minutes. I think it is clear from the record that a large amount of money has gone into this and that the results to date so far as pace is concerned have been disappointing. From the records I have read and from other things, unless something has happened within the last few weeks, it looks as though no production in a real sense of the term has been reached.

As I pointed out this morning, it is evident that the R.C.A.F. and the manufacturers had a proper desire to build our own engine. They have been going ahead with that with disappointments. As far as I can see it is true that we have not a supply of these engines available yet and I should like to ask the minister if there was an engine that we could have had. Were the Hawker-Siddeley people manufacturing an engine which would have been useful as a stand-by and which would not have left us in the position in which we now appear to be?

Mr. Howe: I suppose my hon. friend is asking whether it was wise to undertake the building of an engine?

Mr. Macdonnell (Greenwood): I have said that I think that that was a proper thing to do. I am simply asking whether it might have been wise to have had a stand-by alternative.

Mr. Howe: The position is that the production of jet engines is limiting the production of complete aircraft. There are airframes all over the continent waiting for engines. The production of aircraft in Canada is limited by the supply of engines that we can make available or that are being made available to us. The Orenda will be a valuable addition to the supply of engines for allied countries.

[Mr. Macdonnell (Greenwood).]

We are hopeful that it will take care of the requirements of the two aircraft I have mentioned, the CF-100 and the Sabre; we believe that the timing of production will permit that to take place. We have reason to believe that the actual production of Orenda engines will be ahead of the quantity that was scheduled for production, in other words ahead of the rated capacity of the plant. I understand that expected production will take care both of the CF-100, for which it was designed, and the Sabre, which will be a greatly improved aircraft when the Orenda can be installed.

Mr. Macdonnell (Greenwood): Apparently there has been in the past a lot of unwarranted optimism and I hope the minister's optimism is more warranted because he has not indulged in it in the past as other people have. The minister does not seem to have answered my question. He said that there are airframes waiting for engines and I asked whether there was any engine which we could have had. I understand the Hawker-Siddeley people have the Sapphire engine in production which might have been available if we had wanted a stand-by and it might have been useful now.

Mr. Howe: The Sapphire engine has been licensed for production in the United States. I am told, however, that it will not be in actual production for several months. In other words, the Orenda engine, so far as this continent is concerned, is some months ahead of the Sapphire. There are only a few Sapphire engines being produced in the old country which are being used for United Kingdom planes, and it is impossible to obtain them for installation in Canadian aircraft.

Mr. Macdonnell (Greenwood): I was aware that they were licensed for manufacture in the United States by the Curtiss-Wright people, but I did not know about Canada. He has added that. I come back to ask this question. He says that at the moment the Sapphire is not in production in England to an extent that would make any available here. Would that have been true two, three or four years ago if we had wished then to have an alternative?

Mr. Howe: There were no Sapphire engines two, three or four years ago. The development of the Sapphire engine has more or less paralleled the production of the Orenda engine. The two were started about the same time and the production of Sapphires is about as far advanced as the production of Orendas.

Mr. Macdonnell (Greenwood): Then am I wrong in my information that the Sapphire is and has been for some time in real production in England?

Mr. Howe: You are quite wrong.

Mr. Macdonnell (Greenwood): The minister is satisfied that is wrong.

Mr. Howe: Yes.

Mr. Adamson: I want to make one or two observations. I think the whole question of security so far as the Department of Defence Production and the Department of National Defence are concerned should be examined. In my opinion more information should be available because I am sure it will not be helpful to anybody. Information is published in technical magazines, trade papers and frequently in articles by commentators in the press. I realize that an official statement is an official statement and that upon it those who are hostile to us can base their plans, but I feel that secrecy in this regard is carried to too great an extreme. There is one other point I should like to mention with respect to the A. V. Roe company. The A. V. Roe company has a very advanced prototype of a jet liner—I think it is the only one in existence—which would give this country a tremendous advantage in the commercial production of a high speed jet short-range aircraft.

I realize that the project had to be abandoned temporarily owing to the lack of space, trained personnel and tooling. I realize that to go on with it would probably involve great expense. Far from criticizing the expense of bringing into production a new aircraft based on a prototype of this kind, particularly in conjunction with the Comet which is the long-range jet commercial liner, I think it was unfortunate to say the least that the project was abandoned. If it is at all possible I hope the A. V. Roe company will be encouraged to proceed with the construction of that aircraft.

Mr. Pouliot: Before the item is carried it is my desire to pay a well deserved tribute to the minister. I know of no man who could have organized Trans-Canada Air Lines as well as their operations now demonstrate. In addition, he organized the Canadian Broadcasting Corporation and he provided a great impulse to Canadian business and industry to such an extent that Canada is one of the great industrial countries of the world. Therefore it is with great pleasure that I congratulate the minister on his numerous accomplishments and I hope he will stay with us long enough to make the country benefit from his wide experience and remarkable spirit of initiative.

Mr. Macdonnell (Greenwood): I am glad to be able to associate myself with a good deal of what the hon. member for Temiscouata has said but that does not affect the fact that I still have one or two questions to ask. I am not quite clear on this matter and I should like to ask the minister, particularly in view of what I read from the aviation magazine, whether the CF-100 is actually coming off the production line now. Before the minister answers, may I add that I ask that question partly in view of the speech of Mr. Crawford Gordon a short while ago in which I understood there was reference to a plant for a jet engine still under construction.

Mr. Howe: This is what I said on May 30, 1952, as found at page 2743 of *Hansard*:

> Deliveries of the CF-100 under the main production contract are scheduled to commence in August, 1952. For security reasons, it would be inappropriate to review our planned rate of production, but I have every reason to believe that A. V. Roe will live up to our agreed production schedule, as long as certain electronic equipment can be secured from the United States.

I might say that we are rather in advance of the production schedule. The first planes have already come off the production line. My hon. friend lives in Toronto. I suppose he visits that city occasionally and if he would spend an hour at Malton all these questions would be answered because there is a very healthy production line that can be viewed by selected personnel from the House of Commons.

Mr. Macdonnell (Greenwood): I can understand the minister so much better than I could understand things if I went out to the plant myself.

Item agreed to.

81. To provide for the liquidation of contracts, including commitments of previous years related to the acquisition of assets operated by the departments of munitions and supply and reconstruction and supply or an agency of these departments; the liquidation of the assets and liabilities of closed crown companies and crown plants; and for miscellaneous and unforeseen expenses, $150,000.

Mr. Green: I presume this item refers to payments which will be diminishing each year. Will the minister give us an explanation?

Mr. Howe: Yes. We must keep a token item available for the reason that we have two or three lawsuits still before the courts. All the contracts that could be closed by negotiation have been closed and we are only providing this amount to await the result of actions before the exchequer court.

Item agreed to.

Crown companies—

82. To provide for expenses incurred by Defence Construction Limited in procuring the construction of defence projects on behalf of the Department of National Defence, $3,308,500.

Mr. Fraser: Why did the minister's engineers select the ground they did in Cobourg for

the ordnance building there? It is swamp land. According to a return tabled in my name, I understand that it will cost $407,250 for drainage plus $70,000 for concrete slabs to be built underneath the concrete tile. That is practically half a million dollars.

Mr. Howe: The purchasing of land and the preparation of plans for development are functions of the Department of National Defence. The Department of Defence Production only takes over when national defence is furnished with the plans and the site. From there on the Department of Defence Production is responsible for the building. My department has nothing to do with the acquisition of land.

Mr. Fraser: Well, Mr. Chairman, is it not the minister's department that has the engineers who go over the land checking the soil to see whether it is suitable for building?

Mr. Howe: If the engineers are part of the army organization they are not hired by us. If it is a firm of consulting engineers doing the job we make a contract with the firm to perform the work and after that they report to the armed services until the design is worked out. We take no responsibility for design. The functions are very sharply designed and it is the duty of the army to say what it wants—and that involves the preparation of plans—when it wants it, and then the Department of Defence Production attempts to take over from that point and give to the armed services what they want.

Mr. Fraser: But is it not the minister's department which has the soil engineers who say whether the land is or is not suitable for a building of that kind? I understand that they have 80-foot piling in the building in this case but in the Royal York hotel, the tallest building in the empire, they used only 38-foot piling.

Mr. Howe: I do not think the length of the piling is significant. I have built grain elevators where we used 20-foot piling and in others we used 80-foot piling. I am told that the site is very suitable for the purpose but as I say it is not the function of the Department of Defence Production to acquire the land or plan the requirements of the building.

Mr. Green: Will the minister explain the manner in which Defence Construction Limited is required to make expenditures? As I understand it the money for these defence projects is voted by the Department of National Defence. Then, the actual work is done under the Department of Defence Production through this agency or crown company known as Defence Construction Limited. In what way is this vote of $3,308,500 to be used?

Mr. Howe: That is simply to pay for the administration of the work by Defence Construction Limited. If the army wishes to build a building it sends over to the Department of Defence Production the plans for the building and a certificate of encumbrance covering the estimated cost of the building. The department then operates through this crown company, Defence Construction Limited. Defence Construction Limited proceeds to process the building, to place a contract and to inspect the work through to completion until it can be turned over to the army in a condition that is satisfactory to the army. This item is to cover the cost of engineering and other services performed by the Department of Defence Production on the building through the construction period and until it is turned over to the services.

Mr. Green: Defence Construction Limited does not do any actual construction itself?

Mr. Howe: That is right.

Mr. Green: The work would be let out by contract?

Mr. Howe: That is right.

Mr. Green: There is an increase of $1,100,000 odd this year. Could the minister give us some idea of why the increase was necessary?

Mr. Howe: The increase is almost directly proportional to the amount of work the department has to handle. The more contracts there are the more inspectors and the more work generally is required. This is almost entirely payment of staff.

Mr. Green: Where does the Department of Public Works fit into the picture? If I remember correctly before the second war defence projects were built by the Department of Public Works very much in the way in which the Department of Defence Production now builds them. Does each department carry on in the same way but with the Department of Public Works being restricted to civilian projects—or just what are the respective spheres?

Mr. Howe: That is correct. In 1940 all procurement work for the services was turned over to the newly created department of munitions and supply. That included all building projects required for the services and all procurement for the services. That is the situation that has obtained since that time. In other words, in 1940 the work was transferred from the Department of Public Works to the department of munitions and

supply. The Department of Public Works is responsible for building for other than the armed services and the Department of Defence Production is responsible for building for the armed services.

In the case of airports, since the Department of Transport has a trained staff familiar with airport work, at my request the Department of Transport has relieved the Department of Defence Production of building runways. Similarly, since Central Mortgage and Housing Corporation has the necessary staff and is familiar with the building of housing, the housing work for the Department of Defence Production has, at my request, been turned over to Central Mortgage and Housing Corporation and is carried out by them. That is simply a matter of using the best facilities that the government has available.

Mr. Green: The minister said a few days ago that he did not expect the Department of Defence Production to be carried on indefinitely. I presume that in due course this work of building projects for the Department of National Defence will revert to the Department of Public Works? Is that the intention?

Mr. Howe: That is a matter that cannot be predicted at this time. When the work handled by the Department of Defence Production becomes so small that it does not warrant the overhead of a separate department, the work will be placed elsewhere; but I cannot predict at this time where the work will be placed.

Mr. Wright: Who carries on the day-to-day inspections on these various construction projects—the Department of Defence Production or the Department of National Defence? I would take it that it would be the Department of National Defence. They take over the projects and would have to pass on them.

Mr. Howe: The day-to-day inspection is carried on by the Department of Defence Production. When the work is ready to be turned over to the Department of National Defence, that department has to be satisfied with it or it will not accept the project; but up to that point, the inspection is the responsibility of the Department of Defence Production.

Mr. Low: I wonder if the minister has a statement of the projects that are being constructed in the province of Alberta?

Mr. Howe: No, I am afraid not.

Mr. Low: Perhaps I could get that.

Mr. Howe: You can get that at any time from the department.

The Deputy Chairman: Shall the item carry?

Item agreed to.

Canadian Arsenals Limited—

83. Administration and operation, $750,000.

Mr. Green: Will the minister explain the position of Canadian Arsenals Limited at the present time.

Mr. Howe: Canadian Arsenals Limited is a corporation formed to take over those installations of the last war which it was felt should be maintained as part of the permanent defence of Canada. A committee of the armed services and the department of munitions and supply studied the matter very carefully for a considerable period and made a report which recommended that certain plants be retained. It is the duty of Canadian Arsenals Limited to look after those plants, keep them ready for operation, and produce up to the capacity of the plants the peacetime requirements of the armed services.

Mr. Green: The peacetime requirements?

Mr. Howe: Requirements of the armed services between wars are of course peacetime requirements. At the moment the arsenal plants are working to capacity and they are accounting for a considerable part of the production of munitions of the present day.

Mr. Adamson: Can the minister say how much work is being done in Canadian Arsenals on NATO account?

Mr. Howe: It is difficult to say. The work on NATO account is an extension of the work on Canadian account. We are doing nothing for NATO that is not an extension of the work for Canada. At the moment, I presume the plants are working on Canadian production, although several of them have contracts for NATO which will follow on as soon as the Canadian requirements are met.

Mr. Adamson: I know they are doing work for NATO, but I wanted to know whether the contracts are paid for through NATO. Do we pay for the equipment, deliver it to NATO and take credit for our part in the NATO establishment?

Mr. Howe: That is correct.

Mr. Adamson: There is no monetary transaction from NATO to Canadian Arsenals?

Mr. Howe: That is right.

Mr. Adamson: These things we produce form a part of our contribution to the North Atlantic Treaty Organization?

Mr. Howe: That is true in part, although countries in the NATO group have placed orders in Canada for cash. For example, the United Kingdom is buying certain things in Canada and paying cash, but there is also certain equipment being furnished as a result of the Canadian contribution to NATO and that material is paid for out of Canada's appropriation for NATO. The finished material delivered to NATO forms part of Canada's contribution.

Mr. Adamson: And the charge to NATO, I presume, is at cost?

Mr. Howe: That is right.

Mr. Macdonnell (Greenwood): There is one question which goes back to the previous item which perhaps the minister would answer. He told us that in 1946 and in 1947, one of those years, there was a sale to A. V. Roe for $2 million, and it was paid in cash. Has any money from outside gone into A. V. Roe since then, except from the government of Canada?

Mr. Howe: Yes, Mr. Chairman, from cash sent out from England or credits arranged in Canada and backed by Avro of England. The Avro investment in its Canadian operation is about $16·5 million at the present time.

Item agreed to.

Canadian Arsenals Limited—

84. Construction, improvements and new equipment, $1,650,000.

Mr. Green: According to the details covering this item there was only $500,000 expended during the last fiscal year. The vote for this year is $1,650,000. Can the minister explain why there has been an increase of over $1 million?

Mr. Howe: Yes, Mr. Chairman; the vote for last year was $1,700,000. We are stepping up the capacity of the arsenal to take care of current requirements. For instance, we have reactivated the explosives plant at DeSalaberry, to fill orders for explosives for our own services and others. We are extending the plant at St. Paul l'Ermite to take care of shell filling, which in the last war was carried on at three or four plants. In Quebec, we are extending the capacity to make shell cases. At Long Branch we are setting up a new line for small arms.

Mr. Green: Apparently, the expenditure last year was only $500,000.

Mr. Howe: It may be—the payments, you mean, were only $500,000?

Mr. Green: Yes.

Mr. Howe: I presume a large part of the balance is a carry-over from last year.

Item agreed to.

[Mr. Adamson.]

684. To provide capital assistance for the construction, acquisition, extension or improvement of capital equipment or works by private contractors engaged in defence contracts, or by crown plants operated on a management-fee basis, or by crown companies under direction of the Minister of Defence Production, subject to approval of treasury board—further amount required, $25,000,000.

Mr. Green: This is an additional vote of $25 million for capital assistance?

Mr. Howe: That is right.

Mr. Green: It is really covered by the minister's earlier explanation?

Mr. Howe: Yes; it just changes the amount from $85 million to $110 million.

Item agreed to.

685. To provide for payment of grants to municipalities in lieu of taxes on crown-owned defence plants operated by private contractors, $250,000.

Mr. Green: Item 685 requires an explanation. It is to provide for grants to municipalities in lieu of taxes.

Mr. Howe: Yes. For example, the Orenda engine plant has just been completed, and it is on the tax rolls of the municipality for this year. The item covers the following list: Township of York, plant for occupancy by General Electric; Township of Etobicoke, Canadian Steel Improvement; Township of Renfrew, Cockshutt Aircraft Limited; Township of Lachine, Dominion Engineering Works Limited; Township of Scarboro, John Inglis Company Limited; Township of Ross, Light Alloys Limited; Township of Scarboro, Lucas Rotax of Canada; Town of La Salle, Peacock Brothers; Township of Toronto, A. V. Roe Limited. Those are all plants owned by the government and the provision there is to pay reasonable taxes on these crown-owned plants.

Mr. Green: Has the department arrived at the amounts which will be paid to each municipality?

Mr. Howe: No, it is a matter of negotiations.

Item agreed to.

National Research Council—

295. Salaries and other expenses, $12,198,684.

Mr. Green: This is the administration item for the national research council, and it shows an increase of a little over $1·5 million. Can the minister explain why there is an increase? I must admit that I am biased in favour of the research council, but perhaps the minister can tell us why there is that increase?

Mr. Howe: It is due to an extension of activities during the period of defence production. There are certain calls on the facilities of the research council that are abnormal

and call for more staff and greater activity. The activities of the national research council are expanding from year to year, but the expansion is greater than usual this year.

Mr. Green: What progress is being made with the branches of the research council which are being established in different parts of the country outside Ottawa?

Mr. Howe: The prairie laboratory has been making great progress with research on agricultural wastes, attempting to find a practical use for them. It has a very active program which I believe is welcome so far as the prairie provinces are concerned.

The maritime laboratory was opened only on Monday of last week, but we expect a very active program there, concentrating on the problems of the maritime provinces.

Mr. Green: Can the minister give us any details of the problems which will be considered there?

Mr. Howe: A specialist on seaweed is, I believe, one of the staff. Seaweed can be developed into edible products that are considered quite valuable. I have a statement here which does not mean very much to me. I will send it over to my friend. It refers to problems of biology and chemistry and biochemistry.

Mr. Green: Is there any thought of establishing branches in any other parts of the country?

Mr. Howe: Well, the national research council has a working arrangement, for example, with a new chemistry building that I was privileged to open in British Columbia, part of the university of British Columbia, and also has arrangements with a number of universities. I know of no plans to build branch laboratories in other parts of Canada. I think the proposal is to work with existing laboratories.

Mr. Green: What is the situation with regard to bringing students and graduates to Ottawa for work under the research council? At the time that we had a special committee of the house on the national research council we were given details of that program, and it seemed to be an extremely worth-while one. Has it been continued? What is the situation at the present time?

Mr. Howe: There are about 60 students working in the national research council at the present time. Many of them are from other countries. They are working under special students' arrangements, and it seems to be working very well. Most empire countries are represented. I think other countries are represented as well. We consider it a very valuable part of the work of the research council.

Mr. Green: Is the council doing anything in connection with the Colombo plan?

Mr. Howe: No, I think not. I am sure the council would be glad to undertake problems related to the Colombo plan, if the problems were placed in its hands; but to date the Colombo plan has involved more practical development work. For instance, fisheries experts from Vancouver have been in Ceylon; cement experts from eastern Canada have been in India. The work of the Colombo plan to date is not work that is adapted to the national research council.

Item agreed to.

Atomic energy control board—

297. Administration expenses of the atomic energy control board, $59,302.

Mr. Gibson: Will the minister say how the production of uranium ore is coming along in Canada? Is there anything he may usefully say about the mining of uranium ore in Canada?

Mr. Howe: The present Eldorado property at Great Bear lake is working at capacity. Unfortunately a fire at the mine last November burned down a number of the buildings. They were rebuilt during the winter months and were back in operation about the first of May. The mining did not stop, but delivery of ore was stopped owing to the fact that the crushing plant went out of action. During last winter a leeching plant was erected to work over the tailings of earlier ores. The tailings had been preserved and are now being put through the leeching plant, which means stepping up the output of uranium to a very considerable percentage.

As far as Beaverlodge development is concerned, the report of Eldorado, which I tabled yesterday, gives quite a detailed account of progress at that place. We are in process of building a mill. We believe that we have a very large deposit of low-grade uranium ore. We shall have a very sizeable production. Canada used to be the second largest producer of uranium. It has slipped down to third place, and we expect that when Beaverlodge goes into production we shall come back to second place.

Mr. McIvor: I should like to express appreciation of the work that is done under this department. We had a very gifted young lady from Fort William working for the government in New York. She was taken seriously ill with cancer. She was rushed to the city of London and was give treatment. She is now up and out of bed. I commend the minister and his workers for this type of

work and we hope that they will continue and develop; we also hope that this young girl will be completely cured.

Mr. McLure: In the report of the Eldorado company, which we received the other day, I noticed that it is a paying proposition at the present time. It is really a good company. When we see it in the condition in which it is I often wonder whether that company will ever reimburse the shareholders who paid enormous prices for their stock and received only a small pittance for it. From time to time these complaints come in. No doubt they have come in to the minister, because when a backbencher like myself gets them by the score, indicating that some men paid as high as $11.75 for their stock and others more than that, and received only a small pittance when the government took over the company, surely he must get complaints as well. Now, since the company has commenced to pay, surely he will reimburse these men for what they paid for the stock.

Mr. Howe: When the government took over the property it was not in the condition that it is in today. It had never been a paying proposition. The government offered slightly more for the shares than the market price of that day. Whether the stock was delivered or not was quite voluntary. I think practically all the stock has been turned in. I know of only one shareholder who keeps alive the complaint, and I think his holding is something less than 1,000 shares, representing about $1,200. I hardly think that complaints from the shareholders are as serious as my hon. friend would suggest. Has he had complaints from great numbers or from just one?

Mr. McLure: No; I have had complaints from a great many more than one.

Mr. Howe: I do not know how it would be possible at this stage to reimburse each shareholder for what he paid for his stock. I do not think that it ever sold as high as $11. It might have sold for $4 and maybe $5. To determine what people paid someone else for their shares would be a very difficult proposition.

Mr. Adamson: What is the position of the shareholders? Do they receive the annual report?

Mr. Howe: There are no shareholders other than the government.

Mr. Adamson: I was just wondering.

Mr. Green: This is the first item on atomic energy and there are one or two questions I should like to place before the minister. First of all, with regard to the sale of isotopes, when the minister was speaking on a supplementary item of last year's estimates to be found at page 967 of *Hansard* for the current session he said:

> There are many who feel that the dividends from the isotope field alone may well repay all the money spent for atomic energy.

But in the report of Eldorado Mining and Refining (1944) Limited, which we received a day or two ago, there is a statement about the marketing of isotopes which is not so optimistic. At page 9 the president says:

> During the year, an increasing emphasis has been placed on the development of markets for other radioactive isotopes. While there is a growing demand for radioactive isotopes, it has not been possible as yet to establish this business on a profitable basis.
>
> There was a net loss of $63,521 on the sale of radioactive isotopes during 1951. In order that the isotope development and marketing program might be carried out with greater efficiency, it became apparent that a building was required to house research, development and processing facilities, and sales and servicing staffs. The building will be located at Ottawa since this location is in reasonable proximity to the Chalk River project, the source of supply of radioactive isotopes and, at the same time, is readily accessible to the company's customers.

I would ask the minister to deal with that situation.

Then a further question has to do with the use of atomic energy for power plants of various kinds. We do not have very full information on these developments, but we read stories of the United States government making arrangements with private corporations for the development of these power plants. I would ask the minister to tell us whether Canada has some plan of that kind in contemplation. It is only a few months ago that a new crown company was set up, known as Atomic Energy of Canada Limited, and we were told at that time that the main reason for the setting up of this company was the prospect for the early and useful industrial application of atomic energy. I am wondering what progress Canada has made along these lines, and whether it is the government's intention to use private industry to help in the development of these plants.

Then, finally, we read in the press that the Prime Minister of Australia is here primarily to try to make some arrangements for assistance in establishing an atomic energy plant or for the mining of uranium in Australia. Would the Minister of Defence Production make a statement in that connection?

Mr. Howe: When I spoke of some persons feeling that the dividends from isotopes alone might justify all the government's expenditures in connection with atomic energy, I did not mean a return in dollars and cents. I think the sale of isotopes can be put on a

profitable basis, and at the present time there is a great deal of development work going on designed to interest Canadian industry in the use of isotopes.

What I meant was that the results to humanity, if we may put it that way, or to the over-all economy, might justify all the expenditure. For example, how can one place a value on the life of the woman to whom the hon. member for Fort William referred a short time ago. We have two cobalt-60 bombs in operation. I am told they are bringing about remarkable recoveries in cancer cases. We hope that during this year we will have six more in operation. I might say that the demand for the bomb is far beyond any likelihood of being met. At the present time Canada is the only country capable of producing cobalt-60. That will be a fine contribution to humanity.

Then there are plant studies taking place. These are efforts to trace the effect of the various components in the soil on plant growth. These studies might very easily contribute a result that would be a national benefit. It was these intangible values, intangible so far as dollars and cents are concerned, to which I was referring when I said that isotopes might justify all expenditures to date.

Then, answering the hon. member's second question as to the progress being made in the application of atomic energy for the production of power, we are approaching the stage where practical results can be obtained. For example, we all know that an atomic power plant is being put in a submarine.

Mr. Green: In the United States.

Mr. Howe: Yes, in the United States; at New London, Connecticut. We know that in the United States progress is being made in connection with pilot plants for producing useful energy from atomic energy. At Chalk River we are in process of constructing a larger pile which will permit wider development in the practical application of atomic power; and great progress is being made in working out the details of a process for transforming atomic energy into useful energy. At the moment we have not been active in building an actual and practical plant to convert one to the other; but we are well on the way toward that objective. I said before it is our belief that by 1960 atomic energy would be in practical use on a large scale for producing power from atomic sources.

Mr. Green: By 1960?

Mr. Howe: Yes.

Mr. Green: The minister did not answer my question concerning the use of industry in this development.

Mr. Howe: On the directorate of Atomic Energy of Canada Limited we have placed practical men from industry. There are four or five men from the large electrical power companies, and one or two others from industry generally. We hope that as a result of their contact with atomic energy we will get a directive as to how best to proceed with the practical development of atomic power.

Mr. Green: There is no private industry helping at the moment?

Mr. Howe: No, not at the moment.

Mr. Green: Now, would the minister answer my question with regard to Australia.

Mr. Howe: I am sorry to say that I have not yet met the Prime Minister of Australia, though I hope to do so this evening. But so far as I can learn he has nothing to ask of Canada with regard to the mining or refining of uranium ore. I may be wrong in that; but that is my present information.

Mr. Nowlan: The minister suggested that by 1960 atomic energy would be available in substantial quantities for the production of electrical power. He also said that some of the directors of the company are associated with the electrical industry, and that he is hoping to get some directive from them.

I presume the minister has in mind the fact that the development of this power would present particular opportunities to the eastern part of Canada. In British Columbia there is an extensive development of hydroelectric energy in the mountains. Then there is the vast oil industry of the prairies. I presume the Minister of Transport would certainly say there will be additional hydroelectric energy from the St. Lawrence development.

This leaves a wonderful opportunity for hydroelectric development in the maritime provinces. I am not sure how many of the directors are associated with electrical energy development in the maritimes. I realize there may be some question raised by interests there as to what development should take place. But I do urge upon the minister the desirability and, indeed, the necessity for increasing power development in that area, if we are to have the industrial development we are seeking. Such development we all realize is dependent to a substantial extent upon additional power facilities.

Mr. Howe: I am well aware that areas such as the maritime provinces, that have not a plentiful supply of hydroelectric power, will benefit particularly from the development of atomic power. With that thought in mind I

have put on the board a brilliant Nova Scotian, who was a student of mine at Dalhousie, in the person of Geoffrey Gaherty, one of the great engineers in this country. I am sure he will keep the needs of the maritime provinces in mind.

Item agreed to.

298. Researches and investigations with respect to atomic energy, $300,000.

Mr. Green: Can the minister explain how this money is expended? Is it paid to different universities which are carrying on atomic research?

Mr. Howe: This vote was formerly carried under the appropriations of the atomic energy control board and is for development work in the universities. There are various cyclotrons and other equipment in the universities.

Mr. Green: Could we have a breakdown as to how the amount is divided among the universities?

Mr. Howe: The following grants were made in 1951-52:

Capital	
Dr. O. Maass, McGill university	$17,650
Operations	
Nuclear physics and chemistry	
Dr. J. S. Foster, McGill university	70,000
Dr. G. M. Shrum, University of British Columbia	20,000
Dr. H. G. Thode, McMaster university ...	18,000
Dr. J. A. Gray, Queen's university	15,000
Dr. E. L. Harrington, University of Saskatchewan	15,000
Physics department, University of Montreal	10,000
Metallurgical research	
Professor F. A. Forward, University of British Columbia	20,000
Dr. K. A. Clark, University of Alberta ...	12,350
Professor M. Hewer and Professor S. E. Wolfe, University of Toronto	2,000

Mr. Green: The grants are made to the scientists direct?

Mr. Howe: The purpose is to make one man responsible for producing results. If you just made it to the university it might be dissipated in general activities, but when it is made to a certain professor in the university he is held responsible.

Mr. Green: Will payments in the present fiscal year be to the same scientists?

Mr. Howe: Yes, I am told they will be the same for this year.

Item agreed to.

Atomic energy project—

299. Operation and maintenance, $7,089,371.

Mr. Green: What is the reason for the increase in this vote?

Mr. Howe: Higher salaries and cost of materials. The revenue from the operation of the present pile is expected to offset its cost of operation in part only. When the new pile is in operation it is expected that the production project will be self-sustaining.

Mr. Green: I notice there is an estimated revenue for the present fiscal year of $900,000, whereas last year it was only $180,000.

Mr. Howe: Yes.

Mr. Green: There appears to be a large increase in revenue.

Mr. Howe: Yes.

Mr. Green: This is all for the plant at Chalk River?

Mr. Howe: That is right. The revenue is obtained from the ready sale of products, particularly plutonium. The purpose of forming the crown company was to put the operation on a commercial basis. While there will probably always be a vote for experimental work it is expected that the plant will operate on a commercial basis without cost to the crown.

Item agreed to.

Atomic energy project—

300. Construction or acquisition of buildings, works, land and new equipment, and to provide for payment to Central Mortgage and Housing Corporation for housing and other works to be constructed at Deep River during 1952-53, $3,141,850.

Mr. Green: Is this for housing at Deep River for the atomic energy staff?

Mr. Howe: Yes.

Mr. Green: How many are there on the staff?

Mr. Howe: A total of 1,424 at Chalk River.

Item agreed to.

301. Construction of a new reactor and auxiliary buildings and services (revote, $4,300,000), $7,000,000.

Mr. Green: This is for the new reactor and only about $2,700,000 was spent last year. Can the minister tell us what the total cost will be and when it is expected the reactor will be completed?

Mr. Howe: The estimated cost of the finished plant is $30 million, including the heavy water which will cost $6 million or $7 million. The completion date is 1954.

Mr. Green: When the atomic energy project was under discussion last March I suggested to the minister that a special committee of the house should be set up to study the atomic energy plans of the government. At that time the minister said he was not against it, but he was not in favour of it, and he thought next year would be a preferable time to set up a committee. I did not press the matter then or discuss it with the other opposition parties, but I am wondering

whether the minister would be willing to set up such a committee in the 1953 session.

It seems to me that the whole atomic energy development has gone ahead much faster than anyone expected. Obviously we are going to have atomic energy plants much sooner than anyone had hoped for, and they will be of great importance to Canada. I suggest that parliament should at least be trying to keep up to date with what is going on, and one way in which that can be done is to have a special committee. I must admit that none of us who were on the committee in 1949 knew very much about atomic energy or scientific developments, but at least the result was to make all those members who had the good fortune to serve on the committee ardent supporters of the atomic energy project. I believe it would be most beneficial to have a similar committee at the next session and I ask the minister to give his views on that point.

Mr. Howe: As far as I know there is no objection to having a committee next year, and I shall be glad to arrange it if the group of members that visited the plant and are somewhat familiar with the operation think that it is wise.

Item agreed to.

DEPARTMENT OF TRADE AND COMMERCE

Exhibitions—

788. Canadian international trade fair, 1953—to provide for preparatory expenses of a Canadian international trade fair in 1953, the remaining amount required to be provided in the main estimates for 1953-54, $319,000.

Mr. Green: Why is it necessary to vote this amount in advance?

Mr. Howe: The vote always comes in two sections. The preliminary work goes on between fairs, work such as advertising and other arrangements, and that is covered by the supplementary estimates while the expenditures of the actual fair will be covered in the estimates for 1953. We are simply following the usual practice.

Item agreed to.

Canada Grain Act—

Canadian government elevators—

789. Operation and maintenance expenses—further amount required, $192,909.

Mr. Diefenbaker: Would the minister explain this item, and in particular inform the committee what government-owned elevators are under lease to private grain companies. Some years ago the situation was that one or two government elevators were leased to private companies, and I was wondering whether or not that system still prevails.

Mr. Howe: Yes. The reason for the supplementary vote is the increased business that is being done. All branches of the board of grain commissioners' service are now operating at a profit. I believe the profit this year for grain handled in the government elevators was about $800,000, and I believe the fees collected by the board more than cover the respective expenses of the board of grain commissioners. That is due wholly to the very considerable volume of this year's crop. All elevators owned are operated by the board except the elevator at Fort William, which is leased to the McCabe Grain Company. The reason it is leased is that it is very difficult to operate an elevator at Fort William without a line of country elevators feeding it. We have discussed diversion charges at some length in the committee on agriculture, and the fact of the matter is that if diversion charges are paid to divert grain to a government elevator there is not much in it for the government. It seems a better arrangement to lease the elevator to the McCabe Grain Company which has its own feeder system and can operate the elevator profitably. The government has an assured income through rental of the elevator.

Item agreed to.

Special—

790. To provide hereby, notwithstanding anything contained in the Financial Administration Act or any other act or law, for payment out of the consolidated revenue fund to the widow of the late Joseph MacLeod Boyer of an annuity at the rate of $1,248 to commence from February 1, 1952, and to continue during her lifetime, $1,456.

Mr. Green: Will the minister explain this vote?

Mr. Howe: We had a very sad calamity in the trade service several months ago. Our trade commissioner in Egypt was killed in terrorist activities there. This is a pension for his widow. He was new in the service and had very little pension accumulated through the department. This pension is based on the military pension payable to one with the rank of colonel, which is about equivalent to his status in the Department of Trade and Commerce. The widow was left in destitute circumstances and this provision is being made for her. Under the circumstances I think hon. members will feel that it is a matter of equity.

Mr. Green: We are very glad to approve a vote of this kind.

Mr. Nowlan: I should like to say one word on this item. I have known the gentleman personally for many years. He was a classmate of mine and president of our class, and a gallant gentleman. I understand from reports that have been received that he might

have saved his life on this occasion had he not acted as he chose to do in pursuance of his duty. I am sure this is a vote which will meet with the approval of all members of the house.

Mr. Knowles: What has been said is certainly true so far as all of us in this group are concerned. I hope that the minister or the people who dealt with this matter did the best they could. It would seem to us that the amount is not very high. Is this amount the best the minister felt could be done for Mr. Boyer's widow?

Mr. Howe: Treasury board went over the matter very carefully. They were somewhat reluctant about establishing the principle that payment on the scale of a military pension should be given to a civilian, but under the circumstances it was believed this was equitable, and it was the best I could do. I am very sympathetic. Mr. Boyer was one of our best trade commissioners. He was located in one of the most difficult posts and, as has been said, he acted very gallantly in trying to save other people in the building.

Mr. Fair: We in this group also agree with the decision made by the government and hope that the provision is satisfactory.

Item agreed to.

DEPARTMENT OF NATIONAL DEFENCE

Defence services—

248. To provide for the Canadian forces, the defence research board and other expenditures relating to defence, including contributions toward the military costs of the North Atlantic Treaty Organization, and notwithstanding section thirty of the Financial Administration Act, to authorize total commitments for the foregoing purposes of $3,988,568,232, regardless of the year in which such commitments will come in course of payment (of which it is estimated that $2,346,221,325 will come due for payment in future years); and to provide for the estimated actual expenditures in the fiscal year 1952-53, $1,642,346,907.

Hon. Brooke Claxton (Minister of National Defence): Mr. Chairman, I hope it would meet the convenience of hon. members of this committee if there were an understanding along similar lines to that which we have had over the last four or five years regarding the method of proceeding with the discussion of these estimates. On previous occasions it has been understood, agreed, and generally followed that we should begin with a general discussion on this item and then when that is concluded proceed to deal with the navy, army and air force in that order, taking up the main subheadings, and then follow that with defence research and any other items. I take it that is the general view of the committee as to the most orderly way in which we can proceed.

[Mr. Nowlan.]

It is not my intention to make a speech covering the whole ground of defence. We have already had three days' discussion on a motion to go into supply. That discussion took place on April 3, 4 and 8. In addition, there have been other debates dealing with defence matters which occurred on May 2, 12, 13, 19 and 20. There was an extended and detailed consideration of defence matters in the committee on defence expenditures which made its report to the house on June 10. Here I should like to express my own appreciation to the members of that committee for the very hard work they did on this very important subject. There was also a white paper tabled last Friday which covers the ground in a general way and also deals with defence expenditure and the appropriations under various heads.

It occurred to me that the most useful thing I might do at this time would be to touch on the highlights of the events of the last two years and then discuss with hon. members some of the problems with which we find it most difficult to deal in the years that lie ahead. Before doing that, however, I think you would expect me to say a few words about the general international situation, the climate which determines the temperature of the cold war. You will agree that lately there has been some evidence of a general feeling that the tension has relaxed. The impression has apparently been created somehow that for some reason the international situation has improved. Subject to one important exception, which I will mention later, I can see no fact, no event, no development which would justify this more optimistic outlook.

As to what are the reasons for the change in public sentiment, one guess is as good as another. One view might be that it is due to the rash of elections here and elsewhere. People do not like to be taxed for anything, and that includes defence. In the atmosphere of an election, whether it be in the United States, Canada or elsewhere, the natural tendency is for it to be said that taxes are too high; and this leads by a perfectly natural process to the feeling that one of the principal causes of high taxes, namely defence expenditures, is not as necessary as we thought a few months ago.

What is the position? No one I know in a position of authority or responsibility believes that war is likely in the near future; but no one knows that there will not be war and nothing has occurred to make the danger of war less than it was two years ago except perhaps the very fact that we have been successful in avoiding war over a difficult

period. Whether it be due to what our allies and ourselves have done in building up our strength to prevent aggression under the North Atlantic treaty, or whether it has been due to what our allies and ourselves have done to stop aggression under the United Nations effort in Korea; whether it be due to the industrial or economic strength—yes, the strength of the ideals of the freedom loving nations—the fact is that since the North Atlantic treaty was signed three years ago we have had three years of freedom from war.

Our experience before 1949 led us to enter into the North Atlantic treaty in order to build strong foundations for freedom and peace. That decision was entered into, that decision has been acted upon, the treaty was made, the build-up is occurring and we have succeeded in achieving that avoidance of war which was our original goal. There is no ground for discouragement; there is no cause for complacency; there is no reason for retreat. We are doing what we set out to do, and so far we are succeeding in our purpose.

Having set our hand to the plow, having tooled up the factories, recruited and trained troops, we must continue the difficult task of maintaining our effort. The necessity for taking this attitude, the need for continuing effort, and the difficulty we can expect to meet in obtaining continued support for what is needed have been pointed out by me on numerous occasions over the last three or four years. So I make two points at the outset. First, there is no cause for retreat, discouragement or complacency. Second, we must face the necessity of continuing this effort until some other foundation for security is found.

Now, against the background of these general remarks and the other discussions that have taken place, I would like to review in the briefest form some of the things we have been doing about defence since Korea —that is, just two years ago. Two years ago today, on June 24, 1950, we had a defence budget of $425 million. We planned to build up to a strength of possibly 50,000 officers and men of the three services and we had practically stopped recruiting because we were within sight of that goal. That was two years ago today; but two years ago tomorrow, on June 25, 1950, the communists ruthlessly made their unprovoked act of aggression on South Korea with the result that, under the leadership of the United States, the United Nations intervened to stop that aggression. Then and only then the United Nations and the North Atlantic treaty nations realized that they must speed up the further expansion of their defence activities.

Following the October meetings of the North Atlantic treaty defence ministers at which defence requirements and plans were agreed to for the first time, we arrived at a three-year program, just like all the other nations; and that was announced to this house on February 5, 1951, and has since been acted upon.

I should add, however, that no program is static, that already we are extending our defence programming to the end of 1955 and into 1956. We are now seeing the results of the speed-up of this expanded program as it was affected by the events which occurred two years ago tomorrow. We are now beginning to see the tangible results in forms which can be seen by the Canadian people. In those two years, in the navy we have had continuously on duty in Far Eastern waters three destroyers which have given a good account of themselves. Orders have been placed for 54 new vessels. Seven have been launched and 19 more will be launched this year. We are meeting our commitments under the North Atlantic treaty for the current year, having 24 ships employed in the North Atlantic regional group in addition to the ships we have for the defence of our coastal waters and harbours.

Over forty members of this parliament saw the ceremonies that took place at Sorel just ten days ago which marked further stages in our defence program with equipment for the navy and army. There was the sponsoring of two new vessels, H.M.C.S. *Labrador*, a new Arctic patrol vessel, and the minesweeper *Chignecto*. More striking was the delivery of the first 3-inch 50 calibre navy gun. Hon. members will be struck as those who went to Sorel were struck with the size of the plant and the complexity of the operation it had to do. Just three figures point this out. Each gun—each of these 3-inch 50 calibre guns—has 28,000 parts. It took 20,000 drawings and 30,000 different machine operations to bring them to that unusual state of acceptability remarked upon by the U.S. naval ordnance and referred to by the admiral representing the U.S. navy on that occasion as well as by the Minister of Defence Production on a previous occasion in this house.

Naval training is being pushed ahead for officers, tradesmen and ratings. A new school was opened at H.M.C.S. *Montcalm* at Quebec city for French replacements and it is now going ahead with its full planned quota.

As regards the army, since Korea we have raised the 25th brigade for service there. Its

splendid work and reputation speak for it better than any words of mine could do. The 27th brigade was similarly raised for service in Europe and has just completed extensive manoeuvres. Meanwhile, in addition to raising men for these forces, we have raised men to provide for rotation and maintenance of the forces we have for the defence of Canada.

We have continued the airlift to Korea without fatal or serious accident and with indeed that remarkable record of performance which has characterized all the transport operations of the R.C.A.F. We now have three Sabre squadrons in England waiting to take their place in Europe. This represents a significant strengthening of the air defence of that part of the North Atlantic area. Other squadrons will be built up as aircraft and aircrew become available and as airfields are ready. The chances are that the limiting factor on the arrival and participation of our squadrons under the North Atlantic treaty will not be either aircraft or aircrew but airfields. All these had be timed in together, but it all has moved forward so that we hope to keep up, and I hope we are going to keep up, the rather difficult target I set of having a squadron brought into existence about every two months. The R.C.A.F. operates 31 training establishments, and I think 32 flying fields.

Territorial defence is moving along. We shall be bringing into operation in successive months some of the large permanent radar stations which will take the place of the temporary stations on which we have had to rely up to date. In addition to this contribution of practical assistance to the United Nations and North Atlantic organizations, we have in two years given or offered equipment and ammunition totalling $273 million, and provided training facilities at a cost of $48 million.

During the two years since Korea we have taken into the armed forces, that is the regular forces, a total of 70,000 officers and men. I do not believe the Canadian people have begun to realize just how big this whole operation has been, and how big it has become during this period. Consider it; 70,000 officers and men taken into the armed forces, and of course a considerable number have been lost through casualties and other wastage.

Having said something about the progress, I should like to say something about the problems that arise in connection with a program of this size and scope. The last figure I gave, of 70,000 men and women taken into the armed forces in the two years since Korea, has been in part made necessary by the principle of rotation. So far as I know this is the first time in Canadian history that we have had a considerable force abroad in peacetime, and have had to face the necessity of maintaining them at the same time. I announced that if the military situation permitted we would rotate men after they had served a year in the Far East. The announcement was in the following terms:

> As long as the military situation permits, men will be eligible for return to Canada who have approximately twelve months' service in the theatre, but no man should be required to serve more than one winter in Korea.

I am glad to say it has proved possible to carry this out as planned. Brigade headquarters opened at Pusan in Korea on May 5, 1951. The last unit of the original brigade arrived back in Canada June 5, 1952, and rotation will be completed when approximately 1,100 personnel who are to sail from Japan towards the end of June arrive in Canada on July 10. The men who have returned to Canada and stay in the armed forces, remain in the second battalions of the R.C.R., the Princess Patricia's and the Royal 22nd. Armoured corps men have been posted to the Lord Strathcona's and the R.C.D.'s. In Korea their places were taken by the first battalions of the infantry regiments and by the first regiment of the R.C.H.A.

We have formed in Canada another brigade, now largely at Wainwright training, replacing those now in Korea. Where before Korea we had in existence one battalion of each of the R.C.R.'s, Princess Patricia's, and Royal 22nd, a regiment of armour and a regiment of artillery, R.C.D.'s and Lord Strathconas, making a total of only six major units, today we have twenty-two major units either in Canada or abroad. This represents a considerable problem in rotating forces and in providing accommodation, about which I shall have something to say.

At the same time the 27th brigade is in Europe. It is a highly trained fighting unit in tip-top shape. The arrangement there is that married men will be returned to Canada after one year abroad and single men after two years. This will mean that rotation will be, in the first instance, on an individual or sub-unit basis. The men to do this are now training in Canada, mostly at Wainwright. The first of these men to return will be coming back around November or December. It does not seem very long since I saw them on their arrival at Rotterdam in November of last year.

Experience I think has shown that the period of a year for Europe is hardly economic, even when the men arrive trained up to unit standards. Also having different

periods of rotation for married and single men complicates the operation. What we propose to work toward, and what we hope we will be able to work toward, is to have the period of service established at eighteen months for everyone, working into replacement by units so that men stay with their friends and keep the unit spirit. With the men at present abroad we shall adhere to the intention expressed—it was not an undertaking—when they went abroad.

One very useful result of rotation is that the Canadian armed forces will, to an extent never before possible, be increasingly composed of men who will have had post-war experience and training, either under combat conditions in Korea or under conditions which obtain in Germany where they are able to engage in large scale manoeuvres as a brigade or part even of larger formations. If war does occur, the Canadian forces will have a hard core of officers and men who will not be seeing active service outside Canada for the first time.

Then, in addition, we shall have available in Canada a considerable number of officers and men who, having seen service in Korea or Germany or in Canada, have since left the ranks for one reason or another. At the present time there are some 27,000 officers and men who have retired from the armed forces since the end of the second world war, and who to a considerable extent constitute a readily available reserve, adding to the reserve we always have in the reserve forces.

In order to carry out a policy of rotation, it is necessary to have a formation in Canada, or its equivalent, duplicating each formation abroad. It is necessary to have men in readiness, in a condition of training so that they can take their places in replacing their comrades either in action in Korea or in training in Germany. The intention is that the operation be carried on without a break. The performance of those returning will be equalled by the performance of those replacing them; so far that has proved possible. In the case of the army, as I said this means that for every formation abroad there must be a corresponding formation at home. In the case of the navy we have employed five ships to keep three in the field. In the case of the air force we have gradually worked through several hundred more officers and men, both aircrew and ground crew, than have been employed at any time on the air lanes to Japan. Meanwhile of course we have to maintain in Canada the mobile striking force. On previous occasions I have given reasons why this formation cannot be used for purposes of rotation; but this must not be regarded as in any sense a static formation. The men who returned from Korea and stayed on in the armed forces are largely now in the mobile striking force, and many of them are undergoing airborne and arctic training. All of them will have that in time. Altogether we now have in the armed forces more than 3,500 officers and men who have had airborne training, and you see them in all types of formations.

As I have said, where we had two years ago six major formations, today we have twenty-two; and this points up the problem of providing accommodation for the armed forces.

We will have to relocate a number of major units at various places across Canada, and this will enable us to give a much more satisfactory geographic distribution of major units than has ever been possible before. The great majority of these units will be established at existing camps not far from urban centres or at places to be built close to urban centres. It is not our intention to relocate the permanent headquarters of these major formations at isolated centres. Camps like Wainwright and Shilo, which are fairly isolated, will be used as training schools, but major units will not be located at those places. While they are fine training areas, Borden and Meaford no longer provide quite the range and variety of ground needed for the employment of artillery and tanks in all respects, and it would be costly, both in money and in the employment of useful agricultural land, to enlarge either of those areas very much. Accordingly we will be moving the armour school to Shilo, where the artillery school is already established and there, with the addition of some land at relatively little cost, we will have an area sufficiently large to enable us to train both armour and artillery on a considerable scale.

The school staffs at Shilo and the build-up of other formations at Borden will mean that all available accommodation will be used at both places, and indeed we will have to continue to construct more accommodation at Borden.

What I have said makes it evident that we will need assistance and widespread support to continue to secure the men we want. It is terribly important to make the young men of our country feel that they are needed in the armed forces; to make the members of the armed forces feel that they are members of the community, that they belong to the community, that they matter to the community, and that they are supported by the community. For every story of disorder or crime on the part of the armed forces that may be played up in the press, there are

two hundred records of useful service that, unfortunately but naturally, are never noticed. Because of this we in national defence, yes, we in parliament, must do everything we can to ensure that the services deserve a good name and that they have a good name.

Closely associated with obtaining the men and women we want is their training in leadership. Increasing the size of the armed forces from 47,000 to 97,000 in the two years has meant a brand new problem in officer production. During that time we were able to add 6,500 officers to the regular forces. In the white paper reference is made to my announcement of February 5, 1951, that the planned peak of the regular forces was 115,000. The figure now works out, according to our plans, to something in the neighbourhood of 120,000 from 1954 on. This has created a continuing need greater than that which could be filled through the existing officer training establishments. Accordingly we worked out, and on June 12 I announced, three important changes or rather developments in the arrangements for training officers. These were, first, a two-year course at the service colleges or universities for officers not requiring technical qualifications; second, assistance to candidates who engage to serve for at least three years after they are commissioned, and third, the establishment of a new Canadian service college cadet school at St. Johns in the province of Quebec.

Through these means we should be able to get the number of officers required after the forces have reached their planned strength. In the meantime we estimate that we have about 50,000 veteran officers still fit to serve who could be available to meet, and so enable us to meet, an emergency without any difficulty if it occurred in the near future, pending the increase in the training facilities that I have referred to.

Our reserve forces continue to be of the utmost importance, and they receive all possible assistance and support. But it is no part of the role of the reserve forces to furnish front-line strength ready at any moment to fight a trained enemy abroad. Their job, and I refer to the army particularly, remains what it was in the first and second world wars in which they did so well. The strength of the reserve forces of the three services since Korea has increased from 50,000 to 57,000. The aspect of their role, to which I have just referred, is brought out by the fact that another 7,600 members of the reserve forces have joined the active forces during this period of two years.

I have mentioned the all-important question of manpower and leadership. We want men of the type we have, and they need the best kind of equipment. Here the problem of defence planning becomes most difficult during a period of transition, and this is a period of transition. If there were a war today the weapons used would be largely those of the second world war. The only substantial improvements would be in long-range heavy bombers, the effectiveness of radar, the better performance of anti-tank weapons and, perhaps most important, the great improvement in the performance of jet fighters.

It is always a difficult question in a period of rearmament to know when to cease development and commence production. The work of development must be carried on mainly by our larger partners, and for us the question generally is when to purchase or put into production in Canada a model of equipment developed elsewhere. If this is too soon, the weapon may be obsolescent when it is most needed. If it is left too late, we may lack the weapons we need.

It is of course out of the question for a country like Canada to keep re-equipping with each succeeding development. We cannot afford to introduce developments which represent only marginal improvements. In this field one can never be sure that one's judgment is right except in relation to the past and reasonably near future, and errors of judgment are possible. So far, however, we seem to have steered the right course. For example, had we gone into the production of aircraft like the Vampire Mark III or Mark V and certain types of other weapons, as was sometimes suggested, we would now have the armed forces equipped with weapons that were already becoming obsolete. As it is we are producing the latest types of equipment we know of, well up in line with the United States and the United Kingdom.

Mention of our two largest partners brings me to the question of standardization. The ABC committees, as they are called, consist of representatives of the United States, Great Britain and Canada, and they are continuing to work on standardization within the framework of NATO. One branch for which we are responsible has to do with all matters relating to mapping. This work is complete, and has been accepted. Very considerable progress has been made in the standardization of battle procedures. This has been agreed to for the navy, and agreed to in part for the army and the air force. There has also been an acceptance of standard practices regarding communications.

As regards weapons, steady but unspectacular progress is being made. As new weapons are on the secret list until brought into operational use, it is not possible to report in detail. But I can tell hon. members that the other countries concerned have shown very considerable interest in the developments we have been making in regard to light wireless sets, flame throwers, anti-tank weapons and vehicles for use in winter under arctic conditions, as well as in a number of other lines.

While experience in Korea has shown that it is possible without too great difficulty to supply troops using different types of weapons and ammunition, there can be no doubt that the advantages of all using the same type would be very considerable. The difficulties in this respect of the aggressors in Korea make this quite clear.

Here I may point out that the United States, the United Kingdom and ourselves are using 3·5-inch army rocket-launchers, 3-inch 50 calibre naval guns, 75 mm. recoilless rifles and various types of aircraft, machine guns, rockets, torpedoes and anti-submarine bombs. On a large range of weapons we have reached agreement on the desirable military characteristcs, and design and development are being pressed on by the various teams.

In the case of the rifle and small arms generally, I have previously reported on the position taken by Canada. When it was announced in April, 1951, that the United Kingdom would proceed with the ·280, our intervention resulted in a meeting at Washington in August and in further consideration of the problem by a committee of high ranking officers under North Atlantic treaty arrangements.

The present position is that the Americans, because of their large stocks, are prepared to continue to use the M2 semi-automatic Garand with the ·30 rimless cartridge for a considerable period ahead. They are continuing to work on design and development of a new round and rifle having the agreed military characteristics. The British are working towards the same agreed characteristics, largely with the ·280.

We hope that it might be possible to produce a round which would combine the characteristics of the British bullet and the United States cartridge, and accordingly we are doing research and development work on this with the support of both the British and United States partners. This work is being undertaken by a team representing Canadian Arsenals Limited, the defence research council and the Canadian army. We will keep in close touch with corresponding teams working in Great Britain and the United States. From discussions I have had in Washington with the secretary of the army, Hon. Frank Pace, and with Lord Alexander, secretary of defence in the United Kingdom, during the last week, it is evident that there will be a full interchange of information and a genuine effort to arrive at a common goal. As it is, the British and American weapons that have been designed and are in process of further development are very much closer to each other than they were a year ago.

Like the British, we are tooled up to make the ·303 rifle and round and have a sufficient number of these to enable us to meet any current requirements and, pending further production, to equip our forces. Should this become necessary in another world war we could go into production at a high rate on the existing ·303 rifle and round in a short time.

Until the end product of this development effort by the countries concerned becomes more evident, it would obviously be unwise for us today to go into the production of more than the minimum needed to fill immediate needs. Everyone at some time is going to adopt a new rifle and round. When that time may be, it is impossible to say.

As regards field guns, we are making the 155 millimetre American-type gun for ourselves, for the United States, and for mutual aid to North Atlantic nations. This gun, like the ships to which I referred and the 3-inch 50 calibre gun, is being produced at Sorel, and quantity production will begin before many months are passed. At Sorel production is also being undertaken on the 120 millimetre gun for the United States army.

Anti-tank weapons and mortars are largely accepted as standard and both weapons and ammunition are being produced in Canada today.

Another problem presented by our type of force particularly is the standard of living we are going to provide for our armed forces. We have set as the right standard the standard of living which men of similar education and aptitude would obtain in corresponding civilian occupations with good employers. The committee on defence expenditure went into this and I am not going into it in any detail now. Moreover, there are some interesting figures in the white paper.

There are one or two points, however, to which I should further refer, particularly on construction. I mention this because people are surprised at the amount of construction we are finding it necessary to undertake. This year we are seeking a total of $563 million for construction, part of it to be met out

of cash appropriations for this year, and part out of commitments for future years. Of this we expect to spend $244 million in the current year, as compared to $92 million in 1940-41 or $152 million for the wartime peak year of 1943-44, and $173 million for last year.

The reason for part of this construction is doubling the size of the regular forces in the two years since Korea. An increase from 47,000 to 97,000 means that we have to find accommodation somewhere for the single men and the married men and their families equivalent to a city having a total population of 50,000. That is a lot of construction.

Wherever possible this is found through the renovation of wartime huts; but there is a limit, physical as well as financial, to what can properly be done along these lines. These huts were only expected to have a life of four or five years and for the most part were built in the cheapest and quickest way that could be found. A two-storey air force H hut cost $59,500 in 1941 and accommodated 304 men on a double-bunk basis. It now accommodates 168 men on a single bed basis after renovation. Today it costs about $100,000 to renovate such a hut; and that has been done with all the huts in locations where they can be used. That gives them an extra life of about 30 years.

To build a new R.C.A.F. barrack block for 250 men costs a total of $592,590. That allows about eighty square feet of space per man, which is about what is laid down by health authorities. This provides for four men in a room 16 by 20 feet, and it is contemplated that in an emergency we would have double decker beds and so double this accommodation.

In addition officers and men must have mess halls and kitchens. The standard mess hall seats 500 men and has kitchen equipment that can deal with 1,000. The type of building, the amount of space, the quality of furniture and the kitchen equipment are about what you will find in an average cafeteria. This building is done for us by Defence Construction Limited, as agent for the Department of Defence Production.

Married quarters are built according to designs worked out by the Central Mortgage and Housing Corporation and provide similar standards of accommodation to those used by C.M.H.C. in housing projects and veterans' plans across the country. We collect for rent for these houses an amount which varies in proportion to the subsistence allowance for the married officer or man. If he gets a married quarter he does not get the allowance except for approximately $10. The amount collected for rent varies from $51 for a private to $103 in the case of a major, and there is not much difference, generally speaking, in the accommodation. I found recently in one Canadian city that they had a subsidized housing plan, assisted under the provisions of the National Housing Act, under which they were building 88 houses. The accommodation was about the same as our married quarters. However, the average rent was $41, with the lowest at $20, indicating an average lower than the lowest we charge private soldiers.

In addition to living accommodations there are operational buildings of all types, including depots, warehouses, workshops for all three services, as well as hangars and radar stations costing very large sums. Of the construction program this year we plan to spend roughly 30 per cent on living accommodation and the like and 70 per cent on operational buildings and services.

Obviously we must give the service personnel shelter and must provide this on a standard comparable to that they would enjoy if they were in equivalent positions in civilian life. It should be remembered that a good part of the service personnel spend a good part of each year living under conditions of considerable hardship, and virtually all of them are posted to another station every two, three or four years. This has a definite bearing on the type of accommodation and the scale of the furnishings provided. All this affects the morale of our armed forces. They must know that the treatment they get, the food they receive, the clothing they are issued and the weapons they use are as good as can be found. That is our intention. Everyone who has been in Korea or in Europe says that the morale of the Canadian forces is as high as it has ever been. I believe that is true also of the men in Canada.

We civilians, we people in parliament, can affect the morale of our forces. It must be remembered that this is a large operation. It is an effort by the whole people of Canada. Just think of it; we have in the armed forces, active and reserve, and their dependents, along with the civilians engaged in the work of the Department of National Defence; in those engaged directly in defence production, in defence industry or in support of those operations, just about a million and a half Canadian people or 10 per cent of the population of Canada. We are seeking in this vote an amount which represents about 10 per cent of the national income of Canada. Consequently it is right to say that this is an effort requiring the support of us all, indeed the support of all of Canada.

Mr. Pearkes: Mr. Chairman, the policy of the government as far as national defence is concerned has been discussed on several occasions during the early part of this session. The minister called attention to the various debates which have been held. Only a few days ago a white paper was issued entitled "Canada's defence program 1952-53". Since very little new information has been given to us, either in the minister's remarks this afternoon or in the white paper, I do not intend to spend a great deal of time discussing policies upon which I have already offered my comments.

When the policy was outlined two years ago all hon. members supported the general principle of supplying strength in order to prevent aggression and playing our part by supplying such forces as were necessary under the United Nations agreement or under the North Atlantic Treaty Organization to prevent the spread of aggression where aggression had already broken out. I think all hon. members realize today that we must continue our efforts in that direction.

The minister referred to the developments which have taken place in the two years since the outbreak of aggression in Korea, and he took particular credit to the government for the development in the strength, equipment and organization of our forces during that time. If it was necessary to make such a great effort during the last two years since the outbreak in Korea, it must be realized that the same government was in power and had in pre-Korean days allowed the defence forces of this country to sink to a position where they were far below the point which would provide reasonable security; nor were they in a state of efficiency or strength to enable us to meet such international obligations as we might be called upon to meet. In the pre-Korean days members on this side of the house called attention to the state of our defence forces. There had been a rapid demobilization of equipment and camps, a depletion of units and a failure to keep up training strength so that when the actual threat of aggression did arise there had to be a rapid semi-mobilization, the sudden bringing into force of hastily organized units and reconditioning of camps which had been allowed to fall into disuse, and the hasty transfer of personnel from shore establishments to ships and from one unit to another in order to have something ready.

This government had allowed the defences of the country to fall into a perilously low state and, as the minister said, it was not until then, and only then, that the government woke up to the necessity of providing adequate defences for Canada. What has been the result of this hasty speed-up to which reference has been made? We see that in these quickly organized units there has been exceedingly heavy wastage of personnel compared with the numbers taken on strength. In the white paper tabled in the house a couple of days ago one finds that the total strength at March 31, 1952 was 95,394 and that during the previous year of 1951-52 the intake into the forces numbered 39,033 while the wastage was 12,066. The heavy wastage of one in three is indicative of the lack of foresight used in the hasty mobilization of such forces as were required.

Those of us who were members of the committee on defence expenditure realize that there have been exceptionally heavy losses due to theft, fire and other causes, losses which are costing the taxpayers of Canada many millions of dollars. In part that is also due to the speed with which it was necessary to build up our forces after the period of stagnation that had existed in the pre-Korean days. I am wondering whether we are really building up our forces along the right line. Are we not still building up our forces so far as their organization is concerned along the old traditional lines that have been in existence for many years? The minister used words to the effect that if war broke out today we would have to fight largely with the weapons of world war II. I can think of no more disturbing statement that could be made to the house eight years after the hostilities of world war II ceased.

With the threat of aggression today and the possibility of war almost around the corner, we are told that we would have to fight another war largely with the weapons with which we fought world war II. What concerns me even more is the fact that if we had to go to war today we should have to fight with very much the same organization we had in world war II. Have we really taken cognizance of modern trends? Are we really aware of the new concept of war today which consists so much of highly mobile hard-hitting units to which I have referred in the past? Surely the day of large formations of infantry soldiers is really past. The whole modern trend as visualized by modern military writers indicates that far more reliance will be placed on small, compact forces which are capable of being transported by air, are highly mobile and can be moved to any theatre of war.

A few years ago we heard a good deal of talk about the unification or integration of the various services. It seems to me we are drifting farther and farther away from the concept of a unified defence force. In the white paper to which I have already referred there is a discussion on page 5 of our contribution to the forces of the North Atlantic

Treaty Organization. We are told that the R.C.A.F. squadrons which are to be sent to Europe will be organized into an air division which is the air force formation normally adequate to provide air support for an army of four or more front line divisions. We are not relating our contribution as far as fighter forces are concerned to the contribution we are making so far as ground forces are concerned. We are supplying a ground force of one brigade, the 27th, to Europe; but so far as the air force is concerned we are making a contribution equivalent to the formation which would normally provide air support for four or more front line divisions.

We have not got four or more front line divisions. We do not plan to place four or more front line divisions in Europe; but it seems to me there should be some relation between the type of ground force and the type of air force that we are supplying. It seems to me we are still thinking in terms of world war I and world war II when we talk about the number of air force fighter squadrons which will support front line divisions.

Another indication of the additional expense which has been caused to the taxpayers of this country on account of the hastily organized forces is, in my opinion, this question of rotation. It has been found necessary to have this very expensive form of rotation; and it is very expensive if you are going to ship personnel across the Atlantic to Europe and leave them there for a period of only twelve months. For centuries the forces of Great Britain have been organized on the Cardwell system which provides for one regular battalion of a regiment to be stationed abroad and another battalion to be stationed in the United Kingdom, the two units being rotated periodically; but there never was such an extravagant form of rotation as that of transferring personnel of those units between the homeland and overseas every year.

Obviously the efficiency of the unit cannot be maintained with such rapid rotation of personnel; and though perhaps more men are gaining some experience, the unit cannot hope to maintain the same standard of efficiency as it would if there was a more extended period. Therefore I think the minister is wise to suggest that a change be made to extend the period of rotation, to somewhat reduce the enormous expenses which are now burdening the taxpayer; but I doubt very much if a period of an additional six months will meet the requirements.

The minister then referred to the question of the air force contribution to the North Atlantic Treaty Organization and indicated that the bottleneck might not be the actual raising of the personnel or the provision of aircraft but in the construction of airfields. That danger was brought to the minister's attention many months ago by the leader of the opposition who, at the last session of this parliament, called attention to the lack of technical troops in Europe and advocated the provision of engineer units which would assist in the construction of these necessary airfields in France and Germany. It is obvious that airfields are the most essential requisite for the efficient operation of any air force. We know that the airfields in France were largely destroyed and have not been rebuilt. Much of the big machinery which was available in France in pre-war days had been moved away into Germany. France suffered the experience of being an occupied power for many years and it would naturally take her some considerable time to once again build up her construction industry, which in France was faced with tremendous obstacles and with a tremendous task because there had been all the destruction of her cities and lines of communication. Those had to be restored in order to bring about an economic revival in France. That had to go on side by side with the reconstruction of military facilities which were essential for maintaining the forces of NATO, and it is therefore quite obvious that one of the first things that must be done before any R.C.A.F. component can work in Europe is to provide the additional airfields.

We are told there are to be two airfields constructed in Germany and two in France which will accommodate the twelve squadrons of the R.C.A.F. which are to be sent there. I believe that in this white paper the cost is mentioned as being somewhere in the neighbourhood of $22·7 million. That is a heavy expense to meet, and I wonder if there are not ways by which it might be reduced. I believe the paper mentions that the land for these airfields will be provided by the Republic of France but that the construction of the buildings, the construction of the landing strips and the general preparation of the airfield with all the necessary equipment will be paid for by Canada.

If that is so I cannot help feeling that Canada should approach the construction of these airfields along the most economical lines possible. If we simply tell the French government to go ahead and do the necessary work and we will pay for it, then we are not likely to have a very economical contract. It seems to me that if we are going to pay for this work we should have a good deal

to say as to how this work is going to be done, the type of machinery which is going to be used, and if necessary what firms are to carry it out. I do hope there are plans extant which will see that the construction of these airfields which are going to cost the Canadian taxpayers millions of dollars will be carried out in the most economical as well as the most efficient manner possible.

I say I think it is of the utmost importance that these airfields be constructed. In fact I would attach more importance to the construction of these airfields than to the dispatch of the actual fighter squadrons. I am not sure that it should be necessary for us to have all twelve squadrons located in Europe at one and the same time. I hope the minister will be able to tell us the causes which led up to the inclusion of the additional squadron and why that has become necessary, and will indicate the number of R.C.A.F. personnel who will actually be stationed in Europe. After all, it does not take very long these days to fly a squadron of jet planes to Europe. One sometimes wonders whether the actual stationing of those troops in Europe is essential. I have no quarrel at all with the provision of those squadrons, but I wonder if they could not get their training as efficiently here in Canada, where the facilities for flying are better than in Europe. Might that not be a sound reason for retaining some of these squadrons here?

I can see the advantage of having certain squadrons immediately available in Europe. I can see the advantage of certain personnel receiving training in Europe and becoming accustomed to flying conditions there; but we are placing practically all our eggs in one basket by sending by far the larger portion of our fighter aircraft and our trained air force personnel to Europe. We understand there will be a discussion on the various types available for such squadrons as remain here in Canada until such time as the CF-100 becomes available. I do not intend to discuss the question of policy at any greater length, because as I said before it has already been discussed.

I welcome the minister's suggestion that we deal with the estimates section by section as indicated in the details, starting off I presume with departmental administration and inspection. Before we go on to a detailed discussion, I should like to say a word of appreciation to the minister for the way he has accepted the suggestion which was made last year that more details be given in the pages of detail where, following the practice of other departments, the number of personnel in the various ranks has been set out. The only thing I think we might have had a little improvement in is the way in which headings are given. It was much easier to follow the various headings in last year's estimates than it is in this year's estimates. For instance, the navy, army and so forth were set out far more clearly, enabling you to find the various items for the services more easily in the details last year than in the details as shown in this year's book.

You will recall, sir, that when we were discussing these estimates last year you called every item. I think if we are to have an orderly discussion of these estimates, without limiting the powers of the members to ask various questions, it would meet my convenience at least if these headings, such as defence services, administration, navy, army, were called instead of going down through all these minor headings such as civilian salaries and wages, civilian allowances and so forth as was done last year. I think that would not only assist the minister but would give all members of the house a wider range for questioning. It would not limit them quite so much. I have some questions to ask, so if there are other members who wish to discuss policy, I shall sit down.

The Chairman: Is the procedure suggested by the minister, and as qualified by the member for Nanaimo, agreeable?

Some hon. Members: Agreed.

Mr. Thomas: I am not going to make a long speech on the policy of the department, because earlier this session I made my stand abundantly clear. I should like to take just a few moments, though, and make some comments on the evidence brought out in the defence expenditure committee. Possibly the minister could make some reply later. I agree with the member for Nanaimo that the estimates of this department are much clearer and are put down in better form than they were previously. I agree with the minister that I think his department is wise in going rather slowly on orders for small arms until some measure of standardization can be attained amongst the various NATO countries.

I should like to mention briefly the fires and thefts that have occurred in the various establishments, as mentioned in the defence committee. I am not going to be critical at all, except to say that it appeared to me that in many cases the department was asking for trouble. For example the answers given to me in committee concerning 26 C.O.D. showed that in March 1950 the value of the building was estimated at $900,000 and the stores contained therein at $18 million. When the fire occurred in June, 1951, the stores were valued at $16,720,000. In January, 1952, the stores were valued at $23,850,000. It would appear to me that the average value

of the stores contained in 26 C.O.D. would be somewhere in the neighbourhood of $19 million.

The thing which struck me most forcibly during our investigations into the fires was the fact that, prior to the first fire and the recommendations made as a result of that fire, no sprinkling system had been installed and there was very little in the way of fire-fighting equipment. It would appear that in an establishment of this kind, where such tremendous sums of money were involved, every possible precaution against fire should have been taken. I agree that immediately after the investigation was made and recommendations were sent in, a good many steps were taken to eliminate the fire hazard in that particular building. But when we have a value somewhere in the neighbourhood of $20 million on the average, including the building and the stores contained therein, and particularly when no insurance can be carried, I would think every precaution should be taken at all times, and should have been taken before there were any fires whatsoever.

I did not have the time to dig into the various stores across the country, but I would imagine that very much the same condition could be found in all the various establishments that one might go into. I should like to know from the minister whether or not the same precautions and the same steps that are being taken at No. 26 C.O.D. and in some of the other places that we visited and investigated during the sittings of the committee are being taken in other parts of Canada.

I might suggest to the minister at the same time that even if it entails a little additional cost to the government or to the people of Canada, the whole thing might be speeded up. Those precautions might be instituted with a minimum of investigation, because in the long run we would probably save money, regardless of whether or not the thing were a hundred per cent perfect. We realize too that in the fall of 1951 a contract was issued to instal a sprinkler system in No. 26 C.O.D., which of course was after the second fire. I believe it is pretty well installed now. However, in my opinion it should have been done at the time the building was constructed.

I would not want to indicate that there is any doubt in my mind at the present time that they are doing everything they feel is possible to rectify the faults that are there. The point I should like to make is that in future, when any stores depot or other building that entails a lot of expense is constructed, all these fire protection devices should be installed at the time of construction. If that were done we would save a whole lot of money, particularly in installation costs, if there were any fire at a later date.

Speaking generally on the theft situation, I do not want to make it appear that I think it is a bad thing. You are bound to find a certain amount of theft anywhere, whether it be in the service, in private life or in any kind of establishment. I know; I was in business myself, and used to lose the odd article out of the store. But I do think that in many instances the security precautions are not stiff enough. So far as No. 26 C.O.D. is concerned, for the life of me I have not been able to find out how anyone could take anything of any value out of there. Therefore any thefts out of there, particularly in recent times, are bound to be of a minor nature. But at the REME training camp at Barriefield they have 1,216 acres. At the time of the thefts they had a security guard of only six men, which I think is entirely insufficient to cover a camp of that size, which would cover almost two sections. Perhaps the minister can indicate that these guards in the various establishments have been increased and that further precautions are being taken. I certainly hope so. I bring this to the minister's attention in the hope that he is considering some tightening up of the security regulations and some increase in the security guards. When the minister replies I hope he will tell us that that has been done.

Item stands.

Progress reported.

HOUSE OF COMMONS

MR. DREW—REFERENCE TO REMARKS OF MR. SINCLAIR IN DEBATE ON JUNE 23

Mr. George A. Drew (Leader of the Opposition): Before you leave the chair, Mr. Speaker, I wish on a question of privilege to deal with something which was said yesterday at a time when I was not in the house. I might explain that it was necessary for me to be absent at a funeral at the time the hon. member for Coast-Capilano placed on record, together with certain statements which I do not propose to deal with in detail, one statement I feel should be corrected without delay. In his remarks, as reported at page 3568 of *Hansard*, which I did not have the opportunity to read when the house met this morning because it was not yet in my hands, I find that he quoted what purports to be a Canadian Press dispatch reading as follows, and referring to speeches I had made:

> Speaking in French, he told audiences here, at Normandin, Mistassini and St. Felicien that family allowances should be increased, even doubled.

I feel sure, Mr. Speaker, that the hon. member for Coast-Capilano was well aware that this statement had been corrected. I noticed in the report that he had used some typically complimentary remarks about those who corrected press reports at other times. I have no doubt that his remarks applied to the Minister of National Defence (Mr. Claxton) and other ministers who have found occasion to make such corrections in recent months. In this case, however, I am not relying upon any correction of my own. The remarks I made were well and fully reported in *L'Action Catholique* and *Le Soleil* which were represented at those meetings by reporters. They were in fact the only reporters present. The reports were accurate in every detail. They were based upon a written text which was strictly followed and which had been handed to them. I brought this to the attention of the Canadian Press when I saw their report on returning to Ottawa. I received a letter from the general manager of the Canadian Press, dated June 5, after they had an opportunity to inquire into the circumstances. That letter, in referring to this subject, had this to say:

We very much regret our inaccuracy and are issuing a corrective story for morning papers tomorrow.

I place that on record, Mr. Speaker, because the Canadian Press itself expressed its regret concerning this inaccurate report. I do not know yet what the source of that report was. There was no statement of mine made which by the greatest stretch of the imagination justified such a report. The papers which were represented there gave very full and very accurate reports, which indicated quite clearly that I had made no suggestion that family allowances be doubled. The Canadian Press very properly, and with the courtesy one would expect, after inquiring into the details, expressed to me their regret that they had on this occasion used an inaccurate report in their condensation of the dispatch they had received.

Mr. Sinclair: Mr. Speaker, I regret that I did not see the apology by the Canadian Press in the papers. This statement of course received very wide coverage in the newspapers of Canada. I of course accept the statement of the leader of the opposition. But while I am on my feet I would like him also to comment on whether or not the quotation from one of his radio speeches in which he makes very offensive remarks about Quebec and the families of Quebec is accurate.

Mr. Deputy Speaker: Order.

Mr. Drew: I do not propose to comment on offensive remarks of that kind, which have no relation to the subject.

Some hon. Members: Order.

Mr. Sinclair: I was only seeking to keep the quotations accurate.

Mr. Deputy Speaker: Hon. members should know that when Mr. Speaker is on his feet they should, if they are standing, resume their seats.

Mr. Sinclair: I am sorry.

Mr. Deputy Speaker: I do not think Mr. Speaker should have to call "order" several times to have hon. members resume their seats.

REPORTS OF COMMITTEES

NATIONAL FILM BOARD

Second and final report of special committee on the national film board.—Mr. Robinson.

AGRICULTURE AND COLONIZATION

Third and fourth reports of standing committee on agriculture and colonization.—Mr. Bater.

Mr. Browne (St. John's West): Mr. Speaker, as a member of the committee on agriculture and colonization I wish to report that the third report of that committee was adopted on division.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

PRIVATE BILLS

On the order:

Second reading of Bill No. 363, for the relief of Ann Martha Treglown Goodfellow.—Mr. Winkler.

Mr. H. W. Winkler (Lisgar): Mr. Speaker, by leave of the house I should like to move the second reading of Bill No. 363 and Bills Nos. 367 to 389 inclusive.

Mr. Deputy Speaker: Has the hon. member the unanimous consent of the house to move the second reading of these bills in one motion?

Some hon. Members: Agreed.

SECOND READINGS—SENATE BILLS

Mr. H. W. Winkler (Lisgar) moved that the following bills be read the second time:

Bill No. 363, for the relief of Ann Martha Treglown Goodfellow.—Mr. Winkler.

Bill No. 367, for the relief of Meryl Elman Kluger Schreiber.—Mr. Winkler.

Bill No. 368, for the relief of Janusz Juljan Borzecki.—Mr. Winkler.

Bill No. 369, for the relief of Perley John Walden.—Mr. Winkler.

Bill No. 370, for the relief of Louis Jules Fabry.—Mr. Winkler.

Private Bills

Bill No. 371, for the relief of Kathleen Anne Bentley Hainsworth.—Mr. Winkler.

Bill No. 372, for the relief of Ethel McCready Thomas.—Mr. Winkler.

Bill No. 373, for the relief of Lois Edith Laffoley Kelly.—Mr. Winkler.

Bill No. 374, for the relief of Evelyn Helen Cowell Varrin.—Mr. Winkler.

Bill No. 375, for the relief of Marion Helen Hawes Gordon.—Mr. Winkler.

Bill No. 376, for the relief of Winnifred Isobel Bassett Yuill.—Mr. Winkler.

Bill No. 377, for the relief of Eileen May Walker Cole.—Mr. Winkler.

Bill No. 378, for the relief of Frank Ashworth.—Mr. Winkler.

Bill No. 379, for the relief of Margaret Galbraith Hardie McCall.—Mr. Winkler.

Bill No. 380, for the relief of Goldie Natovitch Molson.—Mr. Winkler.

Bill No. 381, for the relief of Norma Veronica Besner Roast.—Mr. Winkler.

Bill No. 382, for the relief of Catherine Anna Regan Herdt.—Mr. Winkler.

Bill No. 383, for the relief of Errol Alexander Edgley.—Mr. Winkler.

Bill No. 384, for the relief of Marie Marguerite Eugenie Lucie Prevost Lalonde.—Mr. Winkler.

Bill No. 385, for the relief of Myrtle Meloche Reath.—Mr. Winkler.

Bill No. 386, for the relief of Eileen Margaret Smith Bates.—Mr. Winkler.

Bill No. 387, for the relief of Selim Jean Malakie, otherwise known as Solomon Malacket.—Mr. Winkler.

Bill No. 388, for the relief of Ruby Lydia Donnelly Champion.—Mr. Winkler.

Bill No. 389, for the relief of Edna Edith Lily Caron Gourdie.—Mr. Winkler.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the house will not be surprised if I say that I still feel this is not the place to be dealing with these divorce bills, being Bill No. 363 and Bills Nos. 367 to 389 inclusive, or any other divorce bills. I have taken that view with respect to the two or three hundred bills that have been put through the parliamentary divorce mill at this session. I am sure that in expressing that view with respect to these bills and the others that have gone through I express the view of a great many people in this country.

These petitioners having gone through the rigmarole which is associated with applying for bills of divorce, I would not regard it as being fair to them to delay them further at this stage of the session, and for that reason I am not objecting to the request of the hon. member for Lisgar that this batch of bills be considered for second reading under the one motion. But I repeat my insistence that some day we must get divorce out of parliament.

Motion agreed to and bills read the second time.

BOUNDARY PIPELINE CORPORATION

The house resumed, from Friday, June 20, consideration in committee of Bill No. 62, to incorporate Boundary Pipeline Corporation—Mr. Larson—Mr. Beaudoin in the chair.

On section 1—*Incorporation.*

Mr. Shaw: Mr. Chairman, when Bill No. 62, to incorporate Boundary Pipeline Corporation, was before the committee last Friday evening I took advantage of that opportunity to air certain of my own views. It just so happened that I was not given that opportunity until eight or ten minutes before nine o'clock, with the result that I was unable to conclude my observations during the time left to me. It was not my intention to talk out the measure, but it happened that I was speaking at the expiry of the hour allotted to private bills.

Last Friday I laid emphasis on the fact that what I was taking objection to was the procedure we follow in this house in granting charters to companies similar to the one we are dealing with at this time. I realize fully that objection to a company being granted a charter results in many cases from the conviction held by certain persons that gas or oil should not be exported from Canada. My personal view, as I have stated before, is that I have no objection, providing all the circumstances are as I think they should be, to the export of gas and oil from Canada.

I have indicated upon more than one occasion that I believe a province is justified in authorizing the export of gas and oil, particularly when it is concerned about seeing that the requirements of the people of that province are met as far as it is economically and physically feasible to do so. I would take the same attitude with respect to the export of gas and oil from Canada. I am fully convinced that when we contemplate the export of gas from Canada we should at all times be governed by the realization that as far as is economically possible the requirements of the Canadian people should be supplied.

If I were opposing this particular application for a charter on the ground that it might at some time engage in the export of either gas or oil, then in order to be consistent I would have had to do the same thing with respect to the other applications by companies which have been before us and which might possibly eventually export gas or oil

from Canada. Once again I say that my principal objection is to the procedure for dealing with these matters.

I pointed out last Friday that for years we have held the view that such applications should not be dealt with by this parliament but by a semi-judicial body—we mentioned the board of transport commissioners—which should be given authority to do what we are presuming as a parliament to do at this time. I mentioned also that as long as we have applications from companies of this type coming before us, just so long are we going to find ourselves confronted with prolonged and protracted debates such as we have witnessed in connection with this application. In 1949 when the pipe line bill was being considered by a committee of the house we supported the idea that there should be a clause in the bill under which companies seeking charters would appear before a semi-judicial body, and that body could be the board of transport commissioners.

I rather fancy that much of the difficulty we have encountered in the house results from certain things which took place in the standing committee on railways, canals and telegraph lines. Regardless of what anyone may say, regardless of what defences may be put up, to me it is perfectly obvious that there was an effective effort to cut off the hearing of evidence in that committee. I have been a member of many committees during the past dozen years. Personally I have never encountered a situation before where I could conscientiously say there was an obvious attempt to cut off the hearing of evidence. I am afraid, however, there is sufficient evidence to indicate that that is what took place in this case. I think the chairman of any committee and the government majority on any committee would be well advised to go all-out to see to it that no room is left for a charge that the hearing of evidence was cut off. I also think it is wrong to refuse to hear witnesses where it is earnestly believed, not necessarily by the majority but by a substantial number of members of a committee, that other witnesses should be heard. If such requests are not granted then again it contributes toward a situation such as we have in this case. In fact I think it is bad policy to indicate almost arbitrarily when a witness is before a committee that so much will be heard from him and no more; and that was also done in this case.

I agree with a good deal of what the leader of the opposition said last Friday night. He pointed out that by granting a charter in this way we are automatically conferring upon the company broad, sweeping powers which become automatic as a consequence of section 7 of the Pipe Lines Act. That becomes particularly important when one realizes that very few of the members of this house, conceivably none, know exactly where the pipeline route is to finally go. I think of the powers of expropriation and the broad powers conferred upon a company under section 7 of the Pipe Lines Act. When one realizes at the same time that in the final analysis we have no idea at all where the pipe line is actually to run, then I believe we are taking upon ourselves a responsibility which as members of this house we should not have to bear.

I agree fully with the leader of the opposition, and as I stated last Friday night I think the government should initiate amendments to the Pipe Lines Act of 1949 authorizing the procedure I have outlined. The company would then appear before the board of transport commissioners. Witnesses could be heard and all relevant evidence procured. As a further safeguard there is of course the right of the province from whence the product, be it gas or oil, must come in the first instance before it can be transported to any other part of Canada.

Once again I want to emphasize that I am not trying to filibuster the bill. I am not saying what I am saying because of any personal opposition so far as the question of export is concerned. Certain recent developments lead me to the conclusion that if we desire to procure external markets, particularly for gas, we may have to hurry. I realize fully that possibly the province of Alberta is not in a position today so far as gas production is concerned to authorize a great many companies who apply for permits to export gas to do so at this time, but they do anticipate adequate reserves to enable substantial export. However, the thing that worries me a bit is whether, when we reach the stage where we have the required surpluses to export, markets will then be open to us for that product. I am not going to make any further observations at this time. I hope the government will see fit to amend the Pipe Lines Act as I have suggested. I am sure the house would thereby be relieved of a heavy responsibility which I do not think belongs to this house. I think the whole matter could be dealt with in the best interests of the Canadian people by proceeding in that way.

Mr. Brooks: Mr. Chairman, I have listened with considerable interest to what the hon. member for Red Deer has said—

The Chairman: Order. Perhaps the hon. member will allow the hon. member for

Kindersley, who is the sponsor of the bill, an opportunity to speak. I see he has risen in his place.

Mr. Larson: Mr. Chairman, I know it has been said around the house from time to time that people have talked out their own bills, but in this case I see there are many others who are prepared to carry out that function and I feel I should be given an opportunity to say something on the bill.

I was approached some two years ago to sponsor this bill in the House of Commons. I considered the matter, and there were several points which immediately came to mind. One consideration was the fact that the proposed line was to go to Winnipeg. I probably felt that in going to Winnipeg it might not be serving the country to the best advantage. However, when I considered that the province of Alberta was obviously not prepared to be responsible for the amount of gas required to supply all Canada at this time, I felt some start should be made in supplying gas to the neighbouring provinces.

At the present time it would appear that the province of Alberta is not prepared to supply gas for export in any quantity until such time as the industrial development of Alberta based on a gas economy has been achieved. It is also quite possible that some considerable time could elapse before any major export from Alberta became a fact. It seemed to me that with this point in mind the province of Alberta might be prepared to make available for export a limited supply of gas much sooner than it would be prepared to be responsible for transcontinental supply. It seemed only justice to me that the very cold provinces of Saskatchewan and Manitoba should rate the same priority as Alberta's sister province of British Columbia.

In my opinion opposition to the bill has resolved around two major considerations. The first was put forward by the hon. member for Calgary West, who claimed that the economics of a line from Medicine Hat to Winnipeg were such that this parliament had no right to grant the company a charter. In his statement before the committee he made the point that he wanted parliament to make the final decision as to the economics of the line and in the process of making this decision a national gas policy should be evolved. He based his argument on the fact that the board of transport commissioners was too pressed with other matters to properly look into all phases of pipe line development in Canada. On this latter point I submit that a change of government policy would be involved and, as such, I do not propose to debate the matter at this time.

[The Chairman.]

As to the economics, I would suggest that this parliament is responsible first to see that the people financing the line are able to carry out their obligations if granted the necessary charter and the necessary permits. I think that point has been amply satisfied. Second, I submit this parliament should satisfy itself that the design engineers are competent to advise. That point should be amply satisfied because the engineers have vast experience in pipe-line construction in the United States; and if they are not competent to advise on this proposed company's operation, I do not feel that the advice is to be procured anywhere.

On the economic side I submit that if any money is to be advanced by any financial house their reputation will be ruined if they advance that money on an uneconomic proposal. After all, when the consideration of whether people are going to advance money on any proposition comes up, it is the financiers who finally settle the matter; and I say I think that point should be amply satisfied.

Then the hon. member for Calgary West stated that as yet he was not satisfied in his own mind—and I think quite rightly so—whether the eventual supply of gas to central or eastern Canada should properly come as an exchange with the United States or whether a pipe line across Canada was the solution.

There is another main point raised by those opposed to this bill. It is that if this line is built its eventual extension will be into the United States with no regard to the needs of those two great areas in Canada, first the lakehead and then central or eastern Canada. It has been mentioned that if this company is granted a charter it is horning in for nuisance value on somebody who has already been granted a charter to construct a trans-Canada pipe line; and that if it is granted a charter it will hold up that construction for many years.

It has been stated that this is a plot by the Fish Engineering Company to form a Canadian subsidiary to block us from ever having Canadian gas in eastern Canada. It was stated before the parliamentary committee that the Fish Engineering Company at present had no financial interest in the proposed Boundary Pipeline Corporation, and I think that statement can be substantiated.

Coming to the matter of the eventual extension of this gas line to the United States, a point which seems to cause great disagreement, I submit that in considering this bill that does not come into the matter at all because Western Pipe Lines has already been granted a charter to do the very thing these

people are accused of intending to do. If that charter is already granted and the matter is already settled I cannot see how holding up this bill is going to satisfy any of the considerations which the opponents of this bill claim will exist. If gas is finally exported from Alberta in quantity I do not see how it is going to change the matter one little bit whether this bill is held up or not. The only thing that will do is give Western Pipe Lines a monopoly. I do not think that is Liberal policy, and I do not think it is the policy of others in the house who are opposed to this bill.

I feel that if gas can eventually be supplied to eastern Canada by a pipe line going across Canada on Canadian soil that should happen, and any person who has the interests of Canada at heart should think the same thing. I also suggest that the rule should not be so rigidly applied that gas would never be brought to eastern Canada or that it would be brought to eastern Canada at prices at which the interruptible industrial market could not buy it. I do not think that should happen at all. I believe the benefits of gas should be brought to eastern Canada by an all-Canadian route if that can be done. The hon. member for Calgary West said he was not sure that was the proper way to do it.

If we view this whole matter of the passing of this bill from a realistic standpoint, does it not all boil down to the fact that this company is merely asking for incorporation? It is asking for the right to become an entity so it can compete in a fair and equitable way with the people who have already been granted charters to build pipe lines.

Canadians have always felt, and history has shown, that much of our great advance is due to the fact that we have free competition in this country. Competition has demanded that the greatest economy be exercised so the producer gets the most for his product and so that the end consumer pays the least. I submit that principle applies here. By using this parliament to protect the interests of pipe-line companies already incorporated the Canadian public is being done a great disservice; and this parliament, in the way it is acting, is making itself a part and parcel of the disservice that is being done to the Canadian people.

If in the next year a supply of gas is available and Trans-Canada Pipe Lines is ready to build this line across Canada with ample finances and all the other requirements of the board of transport commissioners, it will emerge as the only company in the field. I have no objection to Trans-Canada Pipe Lines getting the eventual right to build that line; but what incentive will there be on the part of the people sponsoring that company, of the principals, to give the maximum price to the producer in the field and charge the minimum price to the consumer at the other end, because they will have a monopoly from the producer standpoint, and a monopoly from the consumer standpoint. On the other hand if the economy of this pipe-line development dictates that there will be reciprocal exchange of gas between Canada and the United States, and if the economics of it dictate that gas should be sent into the United States and brought back into Canada, Western Pipe Lines have a monopoly in that field. It might be all right to protect what would eventually become a monopoly; but it has never been the policy of the supporters of any Liberal governments in this country —and those governments have been fairly successful—to support any monopoly.

I submit that if this parliament does its duty and allows any responsible group of individuals to incorporate themselves into a pipe-line company, the board of transport commissioners will be in a much better position to render proper judgment. That will be because every single company that appears before that board of transport commissioners will really have to have its pencil sharp and get down to brass tacks, because there will be competition. They will have to get their economy to the point where they are giving the absolute maximum to the producer of gas and charging the absolute minimum to the consumer. They will only be able to keep enough in the middle to carry themselves on an economic and proper business basis. The operating costs will have to be cut to a minimum, and the citizens of Canada will reap the greatest benefit. The board of transport commissioners can carry out this duty by giving the final go ahead to the pipe-line company which is prepared to pay the highest possible price and charge the lowest possible price at the other end. Instead of the pipe-line company being the master of the Canadian people, the Canadian people will be its master. That is the situation which I think should exist. I believe any fair-minded Canadian should be of the same opinion, because these companies are well able to look after themselves.

I want to refer for a moment to an issue of the *Financial Post* of June 14, 1952. The editorial on the front page is headlined "Ridiculous hold-up", and it reads:

> Parliament pays lip service to reform of its procedures, but until it acts on this important clean-up and modernization, the house will often make nothing but a foolish spectacle of itself and important business will be neglected.

That editorial goes on in the same vein for several paragraphs, and then it says:

> Even more important is the fact that even if Boundary gets the incorporation it wants, it can't do anything on its pipe-line plans without the sanction of the board of transport commissioners; a body much better equipped than the House of Commons to hear highly technical evidence and to allocate wisely route franchises.

It goes on to say:

> Let them have their incorporation. Let the house get ahead with its work. Let the fight as to what Boundary does next be fought in the place provided for such bouts.

I agree with that article. This is a paper which is highly regarded all over Canada. I do not see why this House of Commons should continue this business of holding up the normal incorporation of a company. The financial people can do the job. The engineers can do the job. I do not feel that any government in Canada can sit by and watch something like this go on, thus protecting what will eventually become a monopoly. It will mean that one company will appear before the transport board and there will be, therefore, no competitive evidence upon which that body can base a decision. I submit the Canadian people will suffer. I believe this incorporation should be granted. I feel that we are doing the Canadian people a great disservice by carrying on in the way we have for the last few weeks.

Mr. Brooks: I was pleased to allow the hon. member for Kindersley to take my place, Mr. Chairman, and I have listened to his remarks with considerable interest. At the outset I might say he has not convinced me that this house should pass the bill which is before us. Hon. members might ask why I, coming from the maritime provinces, should be interested in a pipe line which is to be constructed from Alberta to other western provinces. In reply to that, Mr. Chairman, I think I can say that it is a general interest that we have as citizens of Canada. We consider that what is good for one part of Canada would be good for all of us.

We may be a little envious of Alberta which today has this great natural resource, of which we have none in our province. I might say also that our interest extends to the fact that when this Dominion of Canada was formed there were only four provinces, Nova Scotia, New Brunswick, Quebec and Ontario. At that time we did have a great interest in the public domain of this country. These great natural resources which have been found in other parts of Canada were then part of the public domain, and at one time we did feel that we should have more than a passing interest in them.

This matter of the incorporation of a company, and the building of a pipe line, is a big problem. I feel that it would be a mistake for us, at this early stage of the development of this great gas industry in this dominion, to grant charters indiscriminately to every company making application. It might be said that all we in the parliament can do is grant the application, and that the feasibility of building and operating the pipe line could be decided by the transport commission. However, that is a chance that possibly we cannot take. Once we allow the matter out of our own hands we have very little control over the building of the line or the transportation of gas or oil. I did not have the opportunity of hearing the arguments before the committee which dealt with this matter. I was not a member of that committee. I have read certain of the arguments, however, and I have read the reports of the committee. I have listened also to the debate in this house on many occasions. We have had ample opportunity to listen to debates on pipe lines, not only on this bill but on many other pipe-line bills during the last two years.

From reading the reports of the committee, and also from listening to the debates in this house, regardless of what the hon. member for Kindersley has said this evening I am sure we must have some doubt as to the economic feasibility of constructing this Boundary transmission line. First there is the doubt raised in our minds by the small size of the pipe line which is to be constructed, and also as to the advantages it is claimed will accrue to the people the line is intended to serve. Then there is a doubt raised in our minds, I think a very reasonable doubt, as to whether Canada should export gas until her own needs have been fully supplied. I believe that is a very important problem and one which we should carefully consider.

I have listened to applications for the incorporation of many pipe-line companies in this house, not only for gas but for oil as well. The thought has often occurred to me that if we granted incorporation to all pipe-line companies requesting incorporation and those pipe lines were built, we would have pipe lines running in all directions across Canada. They would look like great snakes running from one end of the country to the other. I am sure that is something we should carefully consider. We all remember that in the early days when Canada was building railroads we were very careless and built more railroads per mile than this country required. Oil and gas transportation by pipe line is just another means of transportation, and I think we should carefully consider the

problem to ensure that we do not repeat the mistakes we made in years gone by. I agree entirely with the hon. member for Red Deer when he says that somebody other than the parliament of Canada should deal with this matter of granting rights of incorporation in connection with pipe lines. I believe that body should be the board of transport commissioners. I have faith in the Board of Transport Commissioners for Canada, and I also have great faith in the Alberta government and in their good judgment to say what pipe lines should be built and what should not. I believe we can very well leave this matter to the consideration of the board of transport commissioners and the government of Alberta.

We know that the board of transport commissioners has also refused the Prairie Transmission company the right to build a pipe line down through British Columbia to the Pacific coast. We have heard that the Prairie Transmission Company Limited is also a subsidiary of the Fish Engineering Corporation, the same as the company which is now seeking incorporation.

There are three main problems which I have heard mentioned, and which should be considered. The hon. members from Alberta have stated very carefully that, as far as Alberta is concerned, the first consideration is to assure themselves that Alberta has all the gas it needs not only for the present but for some years to come. Since we are all Canadians, it does seem to me that our next consideration should be to see that Canada is preserving for herself a proper amount of gas, and that we are protected so far as the future is concerned. The third and last consideration should be what we are to do with any surplus we may have so far as exporting it to the United States is concerned. As I said, we are Canadians, and our first interest should be to see that the people of Canada are protected not only at the present time but in the future as well.

The hon. member for Kindersley sort of cast a little doubt on the quantity of gas that may be found in Alberta. If there is any limit to the supply, then definitely that limited supply should be saved for our own people. I think we could take a leaf from the book of the United States as far as this great asset is concerned. We have had ample evidence that the United States will not supply Canada until she herself has been satisfied. There is abundant evidence already on the record of this parliament to that effect. The hon. member for Vancouver-Quadra, the hon. member for Greenwood and many other hon. members have placed on *Hansard* the attitude of the United States government and the American people toward the export of gas. In that connection I should like to read from a report of the federal power commission in the United States relating to exportation. This case had to do with the application of Panhandle Eastern Pipe Line Company, dated April 12, 1946, to export gas from the United States to Canada near the city of River Rouge, Michigan, to be sold and delivered to the Union Gas Company of Canada, Limited. The judgment reads as follows:

> No deliveries of natural gas shall be made to Union during the months of January, February, March, November and December in any year during the term of this authorization. Delivery of natural gas to Union shall be curtailed or interrupted whenever, and to the extent, required for the protection of deliveries of natural gas, either for immediate consumption or for storage, to any and all of applicant's customers in the United States. The authorization hereby granted shall not constitute ground or justification for any refusal by applicant to transport or sell natural gas to any person or municipality at any time during the time hereof, either for consumption in the United States by such person or municipality or for storage, or for resale for ultimate public consumption in the United States for domestic, commercial, industrial, or any other use, it being the intent of this authorization that at all times, persons and municipalities in the United States are to receive preferential service over that to Union.

As we all know, Union is a company in Ontario. That is a clear indication, Mr. Chairman, of the attitude of the people of the United States and of the authorities there to the exportation of gas from that country. There is other evidence of their attitude. As a matter of fact, in section 3 of their natural gas act they set out very clearly the attitude of the government of the United States to the exportation of gas from that country.

Mr. Murphy: You do not blame them for that policy, do you?

Mr. Brooks: Not a bit; I think it is a very wise and sensible policy. It is a policy that we should adopt in this country so far as the export of gas is concerned. Gas is not like our forests; it is not something that can be reproduced. Gas is a very expendable commodity. If we expend all the gas we have in this country in a few years in order to satisfy the people of this and the next generations, what are the people who come after us going to do? The policy adopted in the United States is to protect not only their own people at the present time—

Mr. Boisvert: Where does the gas come from with which you drive your car?

Mr. Brooks: We can get a lot from you.

Mr. Stuart (Charlotte): May I ask the hon. member a question? During the last war where did the gas come from that was used in his car?

Mr. Brooks: The hon. member is talking about gasoline, and I am talking about another kind of gas altogether. If he would just pay attention—

Mr. Stuart (Charlotte): Where does it come from?

Mr. Brooks: As I was saying, Mr. Chairman, the gas that is found in Alberta is an expendable commodity. I was reading what the United States does in order to protect gas production. I am not speaking about gasoline, I might inform the hon. member for Charlotte.

Mr. Wood: It is all the same.

Mr. Brooks: As far as gasoline is concerned, if they wish to protect that great natural resource for their own people and let our people have only what is surplus, they may do so. As I say, the policy of the United States is one that appeals to the people of the United States, and if it is a good policy for the United States I think it could be applied to the people of the Dominion of Canada in so far as the exportation of gas is concerned.

Mr. Macnaughton: I move the adjournment of this debate.

Mr. Green: You cannot do that.

The Chairman: I am sorry. I saw the hon. member for Mount Royal rise, but I did not hear what he had to say.

Mr. Macnaughton: I would like to move the adjournment of this debate on the Boundary Pipeline Corporation. There are two important bills that follow which are really of national interest, although they are in the nature of private bills. I am sure hon. members would co-operate with us to that extent. Since this is the last week of parliament, we hope, it is important that these bills get before the committee on banking and commerce. I say they are in the nature of public bills, although they come under the heading of private bills.

The Chairman: Since the hon. member for Royal has the floor he should not be interrupted, unless for the purpose of being asked a question, and only then with his consent. However, it may be that he would consent to the procedure suggested by the hon. member for Mount Royal.

Mr. Brooks: The hon. member for Mount Royal had spoken previously to me in the matter and, out of courtesy to him, I am prepared to move the adjournment of the debate, on the condition that this order of business will come up again on Friday in its proper sequence.

Section stands.

Progress reported.

[Mr. Stuart (Charlotte).]

CANADIAN SHIPOWNERS MUTUAL ASSURANCE ASSOCIATION

Mr. Alan Macnaughton (Mount Royal) moved the second reading of Bill No. 364, to incorporate the Canadian Shipowners Mutual Assurance Association.

Mr. Green: Will the sponsor of the bill give an explanation?

Mr. Macnaughton: Mr. Speaker, first of all I should like to thank the hon. member for Royal (Mr. Brooks) for his co-operation.

May I say at the outset that, while I do not want to dramatize this moment, it is only fair to tell hon. members that this is an historic moment in that it is the first time in Canadian insurance history that Canadian shipowners have banded together to form a mutual assurance association for protection against war risks in the event of a war breaking out.

The reason is very simple, and I shall make my explanation brief because I understand there is another bill to follow. Under present conditions marine insurance companies do not insure Canadian shipowners against war risks. The regular marine insurance companies in their policies usually have a 48-hour clause by which they may terminate any insurance covering a ship, in the event of the outbreak of war. Therefore the shipowner has two choices: (1) to leave his ship in harbour or (2) to negotiate a new contract with an insurance company at of course a greatly increased rate. The method of procedure in this instance is to form an association by which all the shipowners in Canada have the right to join a mutual non-profit association so that, in the event of war breaking out, they may have policies covering the value of their ships. These policies, in turn, are reinsured with the Canadian government which, it is felt, in wartime must assume the unnatural risk, if I may so describe it, of protecting private shipowners against losses from war risks.

The bill sets out the details as to who the incorporators are and the method by which they propose to operate this mutual benefit association. I think at this stage it would be wise to refer the bill to the committee on banking and commerce.

Motion agreed to, bill read the second time and referred to the standing committee on banking and commerce.

OGDENSBURG BRIDGE AUTHORITY

Mr. G. T. Fulford (Leeds) moved the second reading of Bill No. 365, to incorporate Ogdensburg bridge authority.

He said: Mr. Speaker, inasmuch as this bill should be non-controversial, and in the

light of the fact that it is to be referred to the committee on railways, canals and telegraph lines, I shall be brief in my explanation.

The purpose of the bill is to incorporate a company known as the Ogdensburg Bridge Authority. This company is to work in closest co-operation and conjunction with the bridge authority already set up by the house of assembly of the state of New York. I hold in my hand a copy of the measure passed by that legislative body.

There is a precedent for this bill inasmuch as it follows closely the legislation passed by this House of Commons to incorporate the Thousand Islands Bridge Company. The bill incorporating the company was passed in 1934, and there was an amending bill in 1936.

I might point out that the Prescott-Ogdensburg Ferry Company is to be recompensed, as well as the land owners whose property must be acquired in order to complete proper approaches to the bridge. This bridge will conform to all the requirements pertaining to the proposed St. Lawrence seaway. Tolls are to be charged, and will be subject to the provisions of the Railway Act.

As in the case of the Thousand Islands Bridge Company when the bonds or other financial obligations are amortised the bridge will automatically become the property of the state of New York and Canada, the south half of the bridge going to the state of New York and the north half to Canada. In turn Canada, by order in council or otherwise, can designate to which province the bridge will accrue.

I do not think there is anything further to be stated about the bill. I do feel that the more bridges we have built, the more tourists will come to Canada, the better the Americans will know us, and the closer will be the bonds between our two countries. I urge that the bill be given second reading.

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

Mr. Deputy Speaker: The hour for private and public bills having expired, the house will resume consideration of the matter under discussion before the dinner recess.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF NATIONAL DEFENCE

The Chairman: The committee is considering item 248 of the Department of National Defence. Shall we now begin consideration of the details of the vote according to the procedure agreed to earlier? These details are to be found at page 289 of the estimates. I shall call the groups of details, subheading by subheading. Under this procedure, then, the first of these is, "defence services; departmental administration, including inspection services".

Defence services—

Departmental administration, including inspection services.

Mr. Pearkes: I notice an increase of $3 million in connection with civil staff. The white paper indicates that during the year there has been an increase in the strength of the armed forces from 68,426 to 95,394 which, roughly speaking, is an increase to the extent of about one third. But the increase in headquarters staff is practically doubled, namely from $3,393,842 to $6,024,852. I cannot help feeling that this is an indication of what has been described earlier in the debate as an inflated headquarters.

Would the minister be good enough to explain this large increase? I notice that as part of the increase there are additional assistant deputy ministers. The increase in expenditures in connection with assistant deputy ministers has gone up from $8,000 to $29,500. There is an increase in personnel from one to three. Perhaps the minister could explain the duties of these assistant deputy ministers.

The only other thing I should like to bring up under this general heading of departmental administration is to ask for an explanation of the $2 million to be spent on the acquisition and construction of buildings. I am wondering whether the department is going ahead with what has sometimes been referred to in the past as an Ottawa pentagon; whether they are going to build a large headquarters building with that $2 million.

Mr. Claxton: In connection with the increase in deputy ministers, there are two additional assistant deputy ministers: E. B. Armstrong, who was formerly with the treasury board, and L. M. Chesley, formerly vice quartermaster general. They were needed to cope with the increased activities of the department.

With regard to the increase in the civilian staff, almost all this increase is due to the increased activities of the inspection services which are in almost direct proportion to the amount of equipment orders that have been placed.

With regard to the proposed pentagon, I am sorry to say that we have not made much progress. There was some opposition last year which perhaps assisted in our not making any progress. We were unable to arrive at any position with regard to the location of

the proposed building. This must be undertaken at some future time, and the sooner the better, but it is not being undertaken now.

The additional amount for construction is in connection with a range for long-range artillery at Lake St. Peter amounting to $1,850,000, and magazines and power at Valcartier, $160,000, making a total of $2,010,000.

Mr. Pearkes: I notice that under inspection services the number of inspectors of stores has been increased from 161 to 350, as indicated on page 290, but the increase in the amount is only from $450,740 to $991,200. That hardly takes care of the large increase of some $3 million which is taken up entirely with personnel. Is there any other increase directly connected with the dockyards services?

Mr. Claxton: The personnel in the inspection services has just about doubled and the amount being provided for salaries is also just about doubled. With regard to other operations, there has been an increase in civilian personnel, but this is hardly commensurate with that in the armed forces except in the inspection services and operations of that kind.

Mr. Pearkes: What is the total increase in the civilian personnel covered by this particular heading?

Mr. Claxton: I am informed that more than 75 per cent of the increase to which the hon. member refers is due to the increase in the inspection services made necessary by the greater activities.

Mr. Pearkes: They would all be civilian. No doubt the minister will recall that there was some question about the civilian personnel being increased from 30,000, which was authorized a year ago, to 40,000. Are the salaries of those extra 10,000 provided for in this vote?

Mr. Claxton: Oh, no. This item deals only with an increase from 1,230 in 1951-52 to 2,512 in 1952-53. As I have said, by far the greatest part of that increase is accounted for by the increase in the activities of the inspection services.

Mr. Pearkes: The minister cannot tell me the actual increase in personnel?

Mr. Claxton: The actual increase under this item of administration?

Mr. Pearkes: The increase in amount, not in number.

Mr. Claxton: I just gave the increase in number, which is from 1,230 to 2,512. The increase in the amount would be $3,489,842 to $6,105,650 if you included prevailing rates and casuals in that category.

[Mr. Claxton.]

Mr. Thomas: The minister said this afternoon that seven ships had been launched for the Canadian navy. Can he state whether any have been commissioned? If none has been commissioned, can he state when the first one will be commissioned and when he expects the last of the seven will be commissioned?

Mr. Claxton: A number of minor vessels, such as minesweepers, are being commissioned this year, while others now under construction will not undergo their trials until late in 1953 and certainly will not be commissioned until 1954. I refer particularly to vessels such as the anti-submarine vessels, which are a totally new type. It is not possible to give dates because there may be all kinds of developments which will intervene. These are highly complicated vessels costing up to $15 million each and have never been produced before in any country. We aim at the highest possible production rate. We have seven on order and seven more to be ordered and we hope for the best.

Mr. Thomas: Can the minister tell me how many of the ships that have been launched or are expected to be launched this coming year are small vessels, such as gate vessels, and how many will be anti-submarine vessels?

Mr. Claxton: I can give my hon. friend a reference to page 18 of the white paper. We have commissioned one of the gate vessels, which is a ship. It is not an auxiliary vessel. Four are expected to be completed during the year. Of the fourteen minesweepers two were launched in 1951 and we hope they may be given trials this year. The patrol vessel *Labrador* was launched in 1951, commissioned in 1952 and we hope it will be ready for trials in the latter part of 1952 or in 1953.

Mr. Thomas: I gather that the majority of those already launched or expected to be launched during the coming year are what you might call auxiliary vessels?

Mr. Claxton: No.

Mr. Thomas: The anti-submarine vessels are not being launched at the present time?

Mr. Claxton: Several of them are being launched this year, but the major part of our launchings this year will be minesweepers which are not auxiliary vessels. In connection with the naval shipbuilding program, we are now engaged on the current construction of 33 major vessels of four different types, the construction, current and immediately intended, of some 41 minor auxiliary craft of eight different types and the conversion and rearmament, in some instances to

the point of reconstruction, of some 40 major vessels of ten different types. It is a pretty complicated program.

Mr. Thomas: I would take it that the minesweepers under construction are somewhat of a modified Bangor type which will be available not only for minesweeping but for escort duty to some extent.

Mr. Claxton: They are minesweepers which can be made available to do the job that it is customary for coastal escorts to do.

Mr. Thomas: Something similar to the Bangor?

Mr. Claxton: That is right, but much more modern in design. They are of entirely new construction with new equipment and armament.

Mr. Thomas: I realize that.

The Chairman: Shall we proceed to the next subheading?

Mr. Harkness: No, Mr. Chairman. I am a little confused as to the order of precedence we agreed upon before the dinner recess. I was a few minutes late getting back to the house after this debate was resumed at nine o'clock, and I must say I was a little surprised to find that the hon. member for Churchill, who took the adjournment, was not speaking. However, I would gather from what I have just heard that on the first item of general administration a general questioning or debate is being carried on. I have no intention of repeating the speech I made some several weeks ago when this matter was under general discussion for two days. However, there are a few remarks I should like to make.

The Chairman: Order. Perhaps in order to clarify the situation for the benefit of the hon. member, I might inform him that a general discussion took place, and it was agreed once the general discussion was terminated the details appearing at page 289 and following would be discussed. It was agreed that the chair would call each subheading separately. Once the general discussion was terminated I called the first subheading which is "departmental administration, including inspection services". Discussion must be relevant to the details as they appear under that subheading on pages 289, 290 and 291. Once the discussion is terminated on these details I will call the next subheading which appears on page 292 under "navy", namely "Royal Canadian Navy—active force and general". Then I will move on to the next subheading until we have completed all the details under this item.

Mr. Harkness: Under this item I see the salary of the Minister of National Defence and his motorcar allowance and the salary of the deputy minister whom I see sitting in front of the minister, and so on. When you rose, Mr. Chairman, I was just about to refer to one or two remarks the minister made this afternoon, and in view of the fact that these items are under the heading "departmental administration" I think my remarks would be perfectly appropriate at this time.

The Chairman: That is precisely why I rose and gave my interpretation of the agreement entered into this afternoon between the minister and the hon. member for Nanaimo. I understood from the opening remarks of the hon. member that he might have liked to take part in the general discussion, but unfortunately he depended upon the hon. member for Churchill making a speech. If the hon. member for Churchill had been speaking when the hon. member came into the house, then the hon. member could have taken part in the general discussion. He indicated that he was a bit surprised to see that the hon. member for Churchill, who had taken the adjournment, was not speaking. It is unfortunate, but now that the general discussion is over I know the hon. member will not want me to have to call him to order too often, and that he will follow the agreed procedure and make his remarks relevant to the details as they appear under this subheading.

Mr. Harkness: Absolutely, Mr. Chairman. I should like to make one remark in connection with what the minister said this afternoon. He stated that the impression had gone abroad that the general world situation seemed to have improved. He went on to say that nothing, except one thing which I do not think he specified, would lead him to believe this general impression was correct. I should like to say I was extremely glad to hear the minister say what he did. I have been somewhat alarmed during recent months at the growth of what perhaps might be called a sort of ostrich view of affairs. In other words, the general opinion seems to have become rather current in the country during the last seven or eight months that everything is on the mend and that therefore the necessity for national defence was reduced.

I hope what the minister said in that regard will receive very wide publicity and will have a good effect in dissipating the view that the general world situation now is very much improved over what it was. In my view the events of the last two or three weeks particularly have confirmed that the general world picture is not only not better than it was but is possibly even worse. It

seems to me that if the majority of people in this country get the idea firmly in their minds that everything is on the mend so far as the world picture is concerned they will also be convinced that the necessity for national defence is not very great and will not be prepared to support the defence effort one hundred per cent, which the minister indicated was absolutely essential.

I should also like to make some remarks with reference to the defence expenditures committee. I do not know exactly under what item of these details that might come. Possibly, Mr. Chairman, you might help me out of my difficulty in that regard so that when the appropriate item comes up I may say a few words on that subject. I shall leave it for the moment. So far as the defence objectives outlined in the white paper we received a couple of days ago are concerned, I think nobody in the house or throughout the country who has paid any attention to the matter has any quarrel whatever with them. We are all behind them one hundred per cent. Where any difference of opinion arises it is with respect to the means to be employed to carry those objectives into effect. In that regard of course I suppose there is bound to be a considerable difference of opinion.

I am still convinced, for example, that the expenditures on this particular matter we are dealing with, general administration, are greater than they need to be. I think the expenditures in regard to the equipping of our forces, training our forces, for accommodation provided for them and so on are greater than they need to be. That excess, if I may call it that, does not in my opinion contribute to a better and more efficient service but probably detracts from the efficiency of our defence effort.

I will say no more, Mr. Chairman, because I can see you are getting a little restive and I will address myself to one or two specific questions under this item. First, on these travelling and removal expenses, I see they are up from $290,500 to $910,000. These expenses of course have to do purely with the civil end of national defence headquarters, and I would ask why that very large increase is going to be necessary.

Mr. Claxton: The two largest items in this increased amount are in the audit staff, $80,000, and inspection service travel cost, $760,000. Those two items account for practically the whole increase.

Mr. Harkness: I am sorry I did not quite understand the minister's last statement. Do the inspection services account for $700,000 odd of that $910,000?

[Mr. Harkness.]

Mr. Claxton: That is right.

Mr. Harkness: What does that mean exactly? Do you mean you have a large number of inspection personnel on the road?

Mr. Claxton: Yes. We have virtually doubled the size of the inspection service during the year due to the fact that the amount of equipment delivery has more than doubled, and a great part of the work has to be done away from the inspection service bases, which requires transportation.

Mr. Harkness: Well, Mr. Chairman, as a matter of fact the next matter I was going to speak about was miscellaneous equipment for inspection services which for the year we are in amounts to $1,400,000 and last year was only $104,500. I presume what the minister was speaking about in regard to travelling expenses is the same with respect to this further item, and I would ask him what these inspection services are which have apparently been increased to such a large extent. I will refer particularly to miscellaneous equipment.

Mr. Claxton: Equipment for the new artillery proving range at Lake St. Peter accounts for $400,000. Laboratory and miscellaneous equipment is set at $200,000 for 1952-53 whereas it was $104,500 for 1951-52, representing an increase of $95,500. In addition there is $800,000 for inspection gauges. Those items total $1,400,000 as opposed to $104,500 last year. The largest factor is the $800,000 for inspection gauges.

Mr. Harkness: Inspection what?

Mr. Claxton: Gauges. This increase covers the purchase of inspection gauges for U.S. type equipment. The change-over to United States type guns, ammunition, etc. has made it necessary for the inspection service to re-equip itself with inspection gauges. The bulk of the gauges the inspection service held before were those required during world war II for the manufacture of United Kingdom equipment.

Mr. Thomas: I would like to ask one more question having to do with naval personnel. During the war we had two separate departments of communications which at that time were known as W/T, wireless telegraphy and V/S, or visual signal. Immediately after the war they consolidated the two into the communications branch. Something like a year ago I was talking to a lieutenant in communications and he told me they were considering transferring back to the dual system where they had the dual set-up as

they were having difficulty in handling both the radio end and the visual end, due to the difficulties of taking the signals.

I was wondering whether the minister could say anything about that, and whether or not they intend to continue the single communications branch or to again divide it into visual and radio as two separate branches, as they had been during the last war.

Mr. Claxton: I will have to look into the question raised by the hon. member for Wetaskiwin. I think the general trend is for the visual system to disappear gradually, but beyond that I cannot go. I will have to get him the answer.

Mr. Thomas: I might tell the minister that, being in the communications branch during the war, I found it very difficult to master both visual and radio for the simple reason that in visual signalling you read word by word and in radio you read letter by letter. When one accustomed to visual signalling tries wireless he has a tendency to read word by word, and when the situation is reversed the wireless signaller gets so far behind in visual signalling that he cannot catch up; in other words he starts to read letter by letter and cannot form words. I wonder if the minister knew anything about the matter, because from my own experience it is pretty difficult for anyone to try to master the two of them. Although the codes are the same, the methods of receiving messages are entirely different. I would like to get an answer at some later date.

Mr. Claxton: I will be glad to get that.

The Chairman: Can we proceed to the next subhead?

Some hon. Members: Agreed.

Royal Canadian Navy—Active force and general.

The Chairman: The details are shown at pages 292, 293, 294, 295, and they conclude in the middle of page 296, the amount being $263,481,102.

Mr. Pearkes: In view of the number of army personnel serving overseas in Germany and Korea, has any consideration been given to transporting the replacements and general rotation personnel by naval vessels or by vessels manned by naval personnel? I understand from a debate which took place in the house a few days ago that certain vessels were required for the North Atlantic Treaty Organization. Are those being used for the transport of personnel or are we relying entirely on the commercial companies?

Mr. Claxton: Well, sir, the hon. member for Nanaimo has much more experience with transport matters than I have; also with the situation on Her Majesty's Canadian ships, particularly destroyers which he may see leaving from Esquimalt. There is not room on board one of those ships to put a single extra human body; they are loaded to full capacity of the ship. In order to use naval vessels for transport it would be necessary to put on special naval vessels. They are full of gear of all kinds and are very inefficient for the purpose of transporting troops, so except in most unusual circumstances are never used for that purpose. Our troops going to Korea are largely carried either in specially constructed troop ships operated by the United States navy or by air. While we have looked at other possible types of transportation, I am sure the way we are doing it is the most efficient and cheapest.

Mr. Thomas: Are the naval ships as crowded as they were during the last war?

Mr. Claxton: I think some of them are even more so, because in the Far East we have to carry equipment, officers and men, sometimes staying at sea up to fifty days, so that vessels which did not carry certain stores or types of equipment now have to carry them. I think they are about as crowded as they were.

Mr. Thomas: In other words, they get lots to eat.

Mr. Claxton: Yes.

Mr. Pearkes: I had no thought that personnel would be transported in destroyers, but I did mention vessels manned by Canadian naval personnel being used as troopers. What does the minister know—perhaps he would not know much because it comes under another department—about what has happened to those ships which were acquired by us for the purpose of either moving immigrants to the North American continent or possibly moving troops to Europe?

Mr. Claxton: We made full use of the return voyages of the ships used to bring displaced persons or immigrants to Canada. They were used on the westbound trip to carry immigrants to Canada, and on the eastbound trips vacancies were used to carry the 27th brigade to Europe. That was done for a large proportion of the forces there, and we got very low rates indeed.

Mr. Pearkes: It is to those vessels I was referring.

Mr. Thomas: Can the minister tell me whether or not it is the policy now to have some sort of combined officer course such as

there was during the last war, which enabled naval personnel to get a certain amount of training for shore action?

Mr. Claxton: On several occasions in the Far East the personnel of our ships have taken part in shore action. On a number of occasions, both in the Far East and on the north Atlantic, exercises have been held to give special training in that field. That is one of the things being taught in the regular shore establishments as well as on the ships of the R.C.N.

Mr. Thomas: It is the intention, then, that ships' personnel, as a general rule, will have a certain amount of training in shore action; is that right? Will they have more than during the last war?

Mr. Claxton: They have had more of that since the end of the second world war than they had during it, but it cannot be extended too far because of the necessity for sea training.

Mr. Thomas: I realize that, but I wanted to know whether or not, in their pre-sea training, they were given more instruction in shore action than they had been given during the last war. I take it that is true.

Mr. Claxton: They have very much more instruction ashore during peacetime than they had during war. The course at Cornwallis generally lasts for 26 weeks before they go to sea.

The Chairman: Shall we go on to the next item, "Royal Canadian Naval Reserve"? Then the next item is "Royal Canadian Sea Cadets". The next subheading is "Canadian Army—active force and general", at page 297.

Canadian army—active force and general.

Mr. Hees: I was glad to learn, a few days ago from press dispatches, Mr. Chairman, that the government had at long last decided to pay the veterans of the Korean force the same clothing allowance which had been paid to veterans of world war II. About three months ago I brought this matter to the minister's attention, and it is encouraging indeed to members of the opposition to see that occasionally the government puts through much needed measures such as this, largely due to the pressure we bring to bear.

The matter I should like to bring to the minister's attention tonight is the need for combat pay for those who serve under fire in an active theatre of operations. Several months ago I asked the minister about this, and he replied that the Canadian forces serving in Korea were already receiving combat pay. Combat pay is very different from the overseas pay which the Canadian army in Korea is now receiving, and which is paid to all servicemen who leave our shores for an active theatre of operations. Combat pay is extra pay which is given to those who serve in a special area, often under conditions of extreme discomfort and in constant danger from enemy fire and attack. The men who serve in the rear areas, such as clerks, artificers, driver-mechanics, motor mechanics and other tradesmen receive trades pay, which makes their pay higher than that of men of similar rank who do the actual fighting in the forward areas.

I believe the most important skill in any armed force is that possessed by those who achieve proficiency in handling their weapons under fire. I believe men who qualify in handling their weapons under fire should be paid combat pay in exactly the same manner as those who become proficient at their trade, and who are paid trades pay. I believe also that combat pay should be greater in value than any trades pay, because there is no skill in warfare that is comparable to that of handling weapons proficiently under fire. It is on that proficiency and skill that the outcome of any campaign depends. I believe that proficiency should be rewarded, with that importance in mind.

I would appreciate very much hearing the minister's comments on the need for paying this special kind of combat pay to those who become proficient in handling their weapons under fire while serving in an active theatre of operations.

Mr. Claxton: With regard to the first point, I can assure the hon. member that while his representations were given every consideration, the matter had been actively considered for perhaps six or eight months before he mentioned the subject.

With regard to combat pay, this involves a good many factors. We introduced a new type of tradesmen's pay last December. Under this, for the first time a trained infantry soldier became entitled to tradesman's pay for the first time. It is our view we should not go beyond that. We are paying a special allowance to men serving in the field. Our rates of pay are as good as any; the rates of pension are better than any and the treatment we give is as good as any we know about. We think that, taking into consideration the traditional practice of those serving in the British armed forces of trying to deal fairly with all men and all ranks, this is about as far as we can go at this time.

Mr. Hees: I should like to ask the minister specifically, does he consider that the skill required to handle a rifle, machine gun or Bren gun under fire against an advancing enemy, which after all is the skill upon which depends the success of any campaign, should

be less highly paid than that of the man who serves in the rear areas in comparative safety and comparative comfort at a trade such as clerk, artificer, motor mechanic or driver-mechanic, or one of the many other trades that receive trades pay? I have no objection to these men receiving trades pay. I think they deserve it for their proficiency. My whole contention is that the highest skill in any armed force is that of the man who handles his weapons proficiently under fire, because if he falls down the whole campaign falls down and all the tradesmen in the rear areas are simply mopped up by the enemy. I claim that the highest trade, the highest skill, should be paid higher than anything else, and I believe there is no problem in qualifying a man under battle conditions as being a man who can handle his weapons proficiently under fire. To me it is most important that that skill should be rewarded. Will the minister answer that?

Mr. Claxton: That is the case today.

Mr. Hees: Can the minister say specifically what a private who is a Bren gunner in a forward platoon receives per day as compared with a motor mechanic or an artificer? Will he give me that answer in the daily rate of pay?

Mr. Claxton: That was given in a release of the department in December when this new basis of pay was extended to qualified soldiers in the infantry and other formations. The qualifications and the rates are similar for all trades.

Mr. Hees: I am afraid that is not an answer at all. I have asked the minister the question, and I should think he would be familiar with these figures. I am asking him whether all trades pay is the same? It must be simple to give me the figure for the private who receives trades pay, and it must be simple for the minister with his knowledge to give me the figure of what the private—

Mr. Claxton: I do not carry these in my head. I can assure the hon. member that he flatters me when he suggests it; but the monthly rates of group pay for the tradesmen in addition to the monthly rate of pay set out for the rank are as follows: group 1, effective October 1, 1946, $4; effective December 1, 1951, $6. Now for the first time, subsequent to the introduction of this order effective December 1, 1951, the trade groupings were extended to infantry soldiers as well as others, in addition to what were ordinarily called tradesmen before.

Mr. Hees: Can we get right down to figures? The minister has his deputy minister and another official from his department in front of him. They ought to have these figures. They must know the figures I am asking for. I am asking specifically, what does a private who serves in the front line under fire, handling a Bren gun, receive and what does a private who serves in the rear areas as an artificer or a motor mechanic receive? These are two specific questions. The minister has all that information in front of him, and he must be able to answer me.

Mr. Claxton: It all depends. Surely I must have made myself clear to the hon. member. I ask hon. members if I have not. If he is entitled to trades qualifications, either as an infantryman, an artilleryman, an artificer or a driver, then he will get in addition to the ordinary pay of his rank, if he falls into group 1, $6 per month. That will be in addition to the pay of his rank, which will be the basic pay of $91 a month for a trained private.

Mr. Hees: Does that apply to a man who handles a Bren gun in the forward area?

Mr. Claxton: If qualified as a tradesman according to the rules laid down for an infantry soldier.

Mr. Hees: But, Mr. Chairman, I asked whether a proficient Bren gunner, a man in a forward platoon, qualifies as a tradesman if he is simply a Bren gunner or a rifleman.

Mr. Claxton: Right.

Mr. Hees: If he be proficient?

Mr. Claxton: Right.

Mr. Hees: Then he gets his $6 in exactly the same way as the motor mechanic gets his $6 extra?

Mr. Claxton: Yes; that is if the motor mechanic is a trained tradesman according to the standards laid down in the army service corps for motor mechanics.

Mr. Harkness: Since we appear to be on rates of pay there are two or three questions I should like to ask. Looking at page 12 of the white paper which was recently issued I see the rates of pay for various ranks, but I see nothing there in regard to rates of staff pay. Can the minister tell us what the rates of staff pay are at the present time?

Mr. Claxton: There is no staff pay.

Mr. Harkness: There is no staff pay whatever at the present time?

Mr. Claxton: No.

Mr. Harkness: Is there anything equivalent to staff pay as we had it during the last war?

Mr. Claxton: Could we have another question while I verify that? My recollection is that there is none. There might be some categories of what is called responsibility

allowance which might fall within the category my hon. friend is asking about, although there is no staff pay as such any longer.

Mr. Harkness: Is that true of the whole service? For example, does the brigade major of the 25th brigade in Korea receive the same pay as, we will say, the major in command of A company, second battalion, Princess Patricia's Canadian Light Infantry receives?

Mr. Claxton: He receives in addition overseas pay, and because he is serving in an active theatre of war he receives an allowance in respect of income tax, which is quite substantial.

Mr. Harkness: No; I think the minister has misapprehended my question.

Mr. Claxton: He does not receive any extra pay on account of his appointment.

Mr. Harkness: Perhaps I have not made it clear. I will phrase it again. The first battalion of the P.P.C.L.I. is now in Korea. My question then would be this. Does the brigade major of the 25th brigade in Korea receive exactly the same pay as the major in command of A company of the 1st battalion P.P.C.L.I., which is also in Korea, receives?

Mr. Claxton: That is right.

Mr. Thomas: Does the minister consider that the brigade in Europe today is on active service in the same way as the brigade in Korea?

Mr. Claxton: No, not the same. He does not receive any allowance in respect of income tax, or for overseas service.

Mr. Thomas: I misunderstood the minister. In answering the last question I thought he said that the major in Germany today would receive overseas pay and active service pay.

Mr. Harkness: I have one or two other questions on pay and then I have some other questions on other matters. The next one in regard to pay is this. Are our paratroopers in the 1st battalion P.P.C.L.I. and the 1st battalion R.C.R., and the Royal 22nd Regiment who have now been sent to Korea to be cut off from their jump pay when they are posted to Korea?

Mr. Claxton: In order to continue to be qualified for the paratroopers' pay they have to belong to a jumping unit and $30 a month is paid while undergoing flying or parachutist training, or while filling a role requiring active or continuous flying. There are regulations laid down to require that in order to continue to qualify for this pay for these operations, they must take part in a certain number of operations within each period.

[Mr. Claxton.]

Mr. Harkness: As I understand the minister's answer it comes to this, that when a paratrooper is posted to Korea his jump pay is cut off; is that correct?

Mr. Claxton: If he is posted to an infantry unit which is not doing paratrooping, he loses his risk pay. But at the same time, having been posted to the 25th Canadian infantry brigade in Korea he becomes entitled to overseas pay and also to the income tax allowance, which may be more valuable.

Mr. Harkness: All I want is an answer yes or no. I take it from what the minister has said that his paratrooping or jump pay is cut off when he is posted to Korea. I presume the same thing applies if he is posted to the 27th brigade in Germany?

Mr. Claxton: Answering an earlier question: As I suspected, there is one case of responsibility allowance, and that is for officers appointed as adjutants, who receive $15 a month extra.

Mr. Macdonnell (Greenwood): Adjutants?

Mr. Claxton: Yes, adjutants. Doctors and dentists receive an additional $60. Risk pay is paid with respect to continuous exposure to risk. Once that exposure concludes, the entitlement to that pay ends. But on the other hand, upon being posted to Korea, the officers and men become entitled to both the overseas allowance and the allowance in respect of income tax, which in most cases is at least as high as if not higher than the other amount.

Mr. Harkness: I should like to ask one or two further questions with regard to pay. Does the minister know how many members, if any, on the staff at national defence headquarters here, and on the staffs of commands, are still drawing jump pay?

Mr. Claxton: No. I would be glad to have any such cases drawn to my attention.

Mr. Harkness: I am not drawing any case to the minister's attention. I am asking him how many, if any, in those categories are drawing jump pay.

Mr. Claxton: I do not know of any.

Mr. Thomas: The minister says that any paratrooper assigned to an infantry group and sent to Korea is deprived of his jump pay. In the event that any such paratrooper were called upon or volunteered to jump into enemy territory, how long would that jump pay continue, or would it be of very short duration, added to his ordinary pay he would receive overseas? Would it carry on for a month, or any stated length of time?

Mr. Claxton: Except in most unusual circumstances of a rather hush-hush nature—

and we would not expect this to develop—they would be attached to a paratroop unit, and then would be entitled to risk pay. It is the attachment to the paratroop unit and the exposure to risk which creates the entitlement to the risk pay.

Mr. Thomas: In other words if a man were a paratrooper and assigned to front line duty in Korea he would not receive his jump pay; but if he were assigned to a paratroop group behind the lines in Korea he would not only draw his overseas pay, but he would also draw his paratroop pay, whether or not he made any jumps.

Mr. Claxton: That has not happened.

Mr. Thomas: But it could easily happen.

Mr. Claxton: If we had a paratroop unit, taking part in activities in Korea, and if such a man had proceeded from an infantry battalion to a paratroop unit which was taking part in paratroop activities in Korea, then he would be entitled to the risk pay.

Mr. Thomas: That is complicated enough for me.

Mr. Macdonnell (Greenwood): Purely as a matter of interest—and I cannot help being interested in the difference between a staff officer and an adjutant, having served as both myself—I should like to ask a question. I entirely approve of doing away with staff pay, but I am interested to know what the distinction is between an adjutant and a brigade major. I am not objecting to it, but I am just interested to know.

Mr. Claxton: The hon. member was a major himself, as I remember it, in the first world war. He will recall that normally an adjutant in a unit, as I understand it, is a captain. For his rank he carries more responsibility and a heavier burden than is carried by the ordinary captain, but rather less than was carried formerly by the major.

Mr. Hees: I think that certainly a brigade major carries a great deal more responsibility than a major who is a company commander or a battery commander. I do not think the minister's argument holds good at all. If there is a differential between the second in command and the adjutant, then there is the same differential between the company commander and the brigade major. What is the explanation of that?

Mr. Claxton: The major, whether in a brigade or a company, is receiving $335 a month basic pay, whereas the captain would receive $255 basic pay; and that is a pretty big differential.

Mr. Hees: But what the hon. member for Greenwood and I are getting down to is this. We do not care which way it is, but we think it should be the same all the way through. There is the same differential in responsibility between the captain who is second in command of a company and an adjutant as there is between the major who is company commander and the brigade major. Why should the adjutant get extra pay over a captain who is a company commander, while a brigade major, who has the same increase in responsibilities, receives no increase over the company commander or the battery commander? What is the answer to that?

Mr. Claxton: Because the captain gets very much less pay than the major to begin with. And if the captain is doing work which is considered equivalent to that of a major, then it is considered that should have some extra recompense for his extra responsibility, whereas the major seems to be adequately paid anyway.

Mr. Harkness: I was rather interested in the first part of this white paper, which deals with the first objective, so far as our defence is concerned, and that is defence against direct attack. It goes on to speak of radar installations, fighter control and the like, but it makes no mention whatever of anti-aircraft defence.

In previous years I have referred to what I have considered to be a severe deficiency in respect of our anti-aircraft defences. Why is no mention made of anti-aircraft defence, and what provisions are there in existence, or being projected, for this type of defence?

Mr. Claxton: The hon. member raises on this occasion, and has raised formerly, one of the most controversial and difficult questions we have to face. We have a large number of anti-aircraft batteries in Canada. I do not want to say, any more than the hon. member would, anything that would indicate that they are not important, because the fact is that I regard them as of the greatest importance. But the fact is that in connection with anti-aircraft guns and anti-aircraft warfare we are in one of these transitionary periods where we are moving from the heavy and light anti-aircraft gun, particularly the heavy which existed at the end of the second world war, into the field of guided missiles. How soon that will come we do not know. How profitable it is for us to spend the amount of defence dollars necessary to have anti-aircraft forces, either in being or ready to be brought into being, is difficult to say in view of the prospect that there will be something quite different which will be far more effective within two or three years.

I have spoken with extreme frankness because the hon. member has raised the question. I think he knows the answer. This

is a question of great difficulty. We must have anti-aircraft batteries, both light and heavy, in the number that we have. They are equipped, subject to some modifications by way of fire control instruments and the like, with as good equipment as there is available; but how much further we should go into the modification of anti-aircraft guns in the light of anticipated developments is difficult to decide.

Mr. Harkness: I must say that the minister has ascribed to me much more knowledge than I possess when he says I know the answer. I know very little about it. As he knows, I have been disturbed for a considerable time over our ack-ack defences and what ack-ack defences we are projecting. I must say that the minister's remarks have thrown a certain amount of light on this matter.

He said we have a large number of ack-ack batteries in Canada, but I know he must refer to reserve force batteries. There is no reason why I should not say that there are few permanent or regular force ack-ack batteries. There is no reason for not saying, because it has been said by many other people, that the reserve force ack-ack batteries have not their full complement of guns or anything like it, and they have much less than their full complement of men. To say that there are large numbers of ack-ack batteries in Canada does not mean a great deal from the defence point of view because those ack-ack batteries are not in a position where they could go out and defend targets.

The importance of anti-aircraft defence was impressed upon me strongly as a result of a trip I took with a large number of members over the week end to the industrial area in Quebec lying up from the head of the Saguenay river. It struck me forcibly that if there was any place in Canada that needed ack-ack defence, it was there. I know there are numerous other industrial areas which need it just as badly.

I know what the minister has said with regard to guided missiles is of extreme importance. I assume that along with our allies we have been doing considerable research in air-to-air guided missiles, rocket weapons and air-to-ground weapons. It is important to know how long we will have to wait to get into operation batteries of air-to-ground rocket weapons, and whether in the meantime we should not have in operation or existence the regular form of ack-ack weapons as we have known them in the past. I do not know whether the minister would care to elaborate on what he said before, but I would like to have his views as to what is proposed immediately as far as anti-aircraft defence is concerned.

Mr. Claxton: At the present time we have the guns to make a defence. Some of those guns are being modernized up to the latest standards. Our experience has been that to modernize such a weapon may not produce that margin of difference between what it was before and what it will be afterward which would justify the expenditure, in view of the fact that we expect that in three or four years there will be a much better weapon available. The cost of modernizing equipment of this kind is quite heavy indeed.

We are doing about one quarter of our guns, and we have a considerable number. Frankly we are hesitant about expending money in doing the rest in view of the time involved, and also when it is considered that the cost of modernizing each gun, despite the fact that the difference between what it was before and what it may be in the future is marginal, is about equivalent to the cost of a modern fighter. Our thought is that it is better to have more modern fighters than more heavy anti-aircraft guns in view of the fact that all anti-aircraft guns, especially heavy anti-aircraft guns, are expected to become obsolete within a limited number of years.

Mr. Harkness: I certainly agree with the minister that it is preferable to have a modern fighter than to modernize a last war anti-aircraft gun. Have any steps yet been taken or is it proposed to take them shortly to convert present ack-ack batteries into air-to-ground rocket batteries?

Mr. Claxton: We have no rockets yet. Experiments along these lines are being carried out in other countries and we are prepared to follow their experience. It should be very easy to catch up with them. I think the experience of all gunners is that it is possible to adapt themselves rapidly to new type weapons. For example, our gunners were able to use 105's or 25-pounders, and similarly during the first and second world wars our gunners quickly adapted themselves to the use of new type weapons. I am sure they will be able to adapt themselves quickly in the future to rockets.

Mr. Adamson: Since the question of anti-aircraft defence has come up I should like to ask the minister a question which he need not answer unless he thinks an answer is desirable. Has there been any hesitation in developing in Canada newer weapons such as the ground-to-air homing rocket, which has such a great potential for air defence, and the new air-to-air weapon which is colloquially known as the fabula and which

apparently is a fragmentation homing weapon? I mention this because it is common knowledge, having been mentioned in the press, that these homing weapons have had outstanding success.

It seems to me that nothing would be more desirable for air defence than to concentrate on these new weapons. There is nothing secret about these things, as they have been referred to in the newspapers in the United States, in the technical journals of the United States air force and in our own journals. I realize the minister's difficulty in this regard, but I hope he can make a statement to the committee that something is being done along this line so we will at least have the protection of the most modern weapons available.

That brings me to the other question, and it is one of enormous difficulty. I refer to the standardization of ammunition. At the present time there are no less than five different calibres of small arms ammunition, and if you count the ·50 Browning machine gun as a small arms weapon there are six. There may be more, but those are all I know of. There is the ·280 of the United Kingdom, ·300 of the United States, ·303 of the United Kingdom, ·450 of the United States, ·50 calibre of the United States and the 9 millimetre which I gather is common both to the United States and the United Kingdom.

I realize that no problem has given the minister a greater headache than the standardization of arms, and there is no problem more important to us in Canada. It is not so much a question of standardizing the arms as standardizing the munitions because if, unfortunately, we have to fight, we will be fighting in association with groups of people who are already armed with various types of small arms to which their troops are accustomed. The situation presents difficulty as instanced by the prejudices of our own troops in Korea based on fighting experience for the rather old-fashioned Lee Enfield in preference to the more modern Garand rifle. It is a tremendous problem and the minister is beset with great difficulties, but it is no use for us in the house to say that we are faced with an impossible situation.

We have two warring factions, one favouring the United States type of ammunition and the other favouring the United Kingdom type of ammunition. The great challenge is to do everything we can humanly do to see that the types of ammunition, particularly for the same arms, are standardized. Even though the type of arm may vary from country to country we should try to see that the ammunition is useful and applicable to all arms. I know it is easy to get up in the House of Commons and say that is the goal. I know it is easy to say we should do this. I realize the difficulty, but I think it would be helpful to the committee if the minister would make a statement tonight on the problem of standardization of small arms.

I know it is one of the supreme headaches today in all armies; but I think the more we talk about it, the more we discuss it, the more it is brought out into the open, the more likely we are to find a solution. This is not a hush-hush problem. It is not a conflict between the United States, Canada and the United Kingdom. It is something that must be worked out with the good will of all concerned. I bring up the matter knowing it to be controversial, knowing it to be a headache, knowing it to be a problem that must be faced, merely to give the minister the opportunity to state his opinion, if he so desires, because I feel we in Canada occupy a unique position in this regard. What I am saying to the minister is not said in any critical way. It is said entirely to be helpful, because one of the great problems the United States has to face is the standardization of ammunition. I feel that no country occupies such a key position as Canada in this regard.

Mr. Claxton: The hon. member for York West brought up two questions. The first had to do with the position regarding guided missiles and the second concerned small arms and their ammunition. With respect to the first, it is a field in which most of the work of research is being done in other countries at the present time. I can assure him that hundreds and hundreds of millions of dollars are being spent on it. In defence research and in the armed forces we have limited ourselves to keeping up with the progress in development, and also we have undertaken research in one special field, that of air-to-air missiles. We are doing special work in that field.

With respect to small arms, I am very glad indeed to have his encouraging words in support of the position I took this afternoon when I expressed the same view.

Mr. Adamson: There is another entirely different matter I wish to raise. I am sorry I was not in the house to hear the minister but I was attending a committee dealing with a subject which was at one time controversial. I hope there can be established in our armed services the counterpart of what is known in the British army as NAAFI, the navy, army and air force institute. I have had the privilege of visiting several military camps in the past year. The training officers as well as those on the G side in those camps complained to me that a great deal of the time

of training officers, who had duties elsewhere, was taken up with the auditing of the accounts of the camp grocery or department store. People were telephoning the colonels, regimental commanders, adjutants and others saying that they had brought a tin of such and such at the camp grocery and it was no good. This may seem a comparatively small matter, but when one considers that in some of our large military establishments the gross turnover in these stores runs to well over $1 million or $1,500,000 a year I think it is most unfair to ask regimental officers who are dealing with the training of a unit, or camp officers who are dealing with administration in a major military camp, to deal with the petty irritations occasioned by the bookkeeping of the camp grocery store.

I would hope, Mr. Chairman, that some consideration would be given to the establishment of an organization such as is known in the British army, the United Kingdom service, as NAAFI. I know we may have had criticisms of NAAFI overseas. We may have thought NAAFI coffee was pretty poor and we may have had other criticisms of it, but the establishment of such an organization takes off the shoulders of your training and technical officers—your G officers, your A officers, and your Q officers—the frightful irritation of running grocery stores and department stores and all other civilian operations which go therewith.

Mr. Claxton: The hon. member for York West has recalled to my mind an answer I should have given to the hon. member for Broadview. There is additional pay given to an adjutant as a responsibility allowance partly in consideration of his having to handle the funds for the regiment which, as the hon. member says, is quite a burden.

With regard to the institution of NAAFI or something equivalent in Canada, we have had the matter under consideration for quite a long time. There is a lot to be said for it. The main thing to be said against it is that it removes from the local unit, whether it be a ship, army unit or air station, the interest and incentive that assures efficient management and local interest through local control of the funds created. Those two things have to be balanced and as usual there are differing views, but all are being considered.

The Deputy Chairman: Shall the section carry?

Mr. Harkness: On page 4 of the white paper which was issued, under army I see:

> The army is continuing to maintain a mobile striking force for defence against a surprise airborne attack.

[Mr. Adamson.]

During the past two or three years the minister has always referred to our armed force for defence against airborne attack as our "airborne brigade". Why is it that here in the white paper and in the speech made this afternoon there was no mention of the airborne brigade at all? What we had mentioned was a mobile striking force.

Mr. Claxton: Mr. Chairman, it is essentially a brigade. The name was changed but I do not remember when, though I think it was about two and a half years back and "mobile striking force" is the term that has been used ever since.

The Deputy Chairman: Shall the section carry?

Mr. Harkness: No, Mr. Chairman. We were still using the term "airborne brigade" last year when we were discussing the estimates. Whether it was changed as far as army nomenclature is concerned, I do not know. It appears to me that the reason it was changed, and I think rightly changed, is that we no longer have an airborne brigade. Our airborne brigade essentially has gone to Korea, and the people who have had training in Korea and have come back from there have not yet been trained as airborne or parachute troops. I do not think they are any worse troops, and I think probably their experience in Korea makes them more effective fighting troops than they otherwise would be. But the situation, I would take it, is that we no longer have an airborne brigade and therefore the term has been dropped.

There is another point in the white paper under army which I would like to ask about. It is mentioned on page 18 under army equipment that:

> Deliveries on orders of U.S. army equipment are proceeding. First deliveries from Canadian production of U.S. pattern equipment are anticipated in the last quarter of 1952.

In view of all the evidence we had in the defence expenditure committee that appears to me a very peculiar sort of paragraph. As I understand it United States orders have already been delivered. With respect to deliveries of Canadian production of United States pattern equipment being anticipated in the last quarter of 1952, I would like to ask the minister what United States pattern equipment it is anticipated we will be turning out from our factories in 1952.

Mr. Claxton: Mr. Chairman, on the first point and the hon. member's suggestion that we have ceased to have an airborne brigade which we had before, I can assure him that is not so. The change in terminology has no reference to the strength or composition of the forces. The terms "brigade" and "mobile

striking force" were used the year before last and last year according to my recollection, and there is no change in the constitution or the composition of the forces. We have the three battalions and the other elements that we always had.

With regard to delivery of United States equipment, we have been quite frankly disappointed in deliveries but that was due to circumstances over which we had no control and over which we do not think the United States had any control either. We have never said that we had delivered to us all the United States equipment that we expected. Events have prevented it, and we will get deliveries as the equipment becomes available. In the meantime we are undertaking the manufacture in Canada of 105 mm. guns and ammunition, 155 mm. guns, and various types of mortars and the like. That is proceeding. The 155's will be coming off the production line later this year and so will the 105's. Ammunition for the 105's is about to be produced in considerable quantities, I understand. That is the job of my hon. friend the Minister of Defence Production. The principal two items that we planned to get from the United States and on which deliveries have been suspended are tanks and small arms and the reasons for that have already been given.

Mr. Harkness: I do not want to enter into a controversy with the minister over the question of whether the mobile striking force is the same as it was before or not, but I do not think there is any question that it is the same or anything like the same. The term "airborne brigade" is no longer used, no longer appropriately used, because of the fact that the airborne brigade which was trained as such is now serving in Korea. The second battalions of the regiments which formed that brigade are in two cases just back from Korea. The members in most cases are still on their leave and are not back to receive training as airborne troops. There is no question but that the result is that we have not an airborne brigade at the present time and we will not have one for some months, under the very best of circumstances.

As I say, I do not want to enter into a controversy with the minister over that point, but I would just like to make that statement in explanation, considering what he said a few minutes ago.

Mr. Macdonnell (Greenwood): I understand we are still on page 296 where there is a sort of summing up figure for the navy—$268 million. If I may anticipate for a moment we will have a figure later for the army amounting to some $500 million, I think it is, and for the air force a figure of some $700 million, all adding up to the figure which appears on page 38 of $1,642 million, which is broadly our expenditure or the bulk of our expenditure for the year. Looking at item 248 which is a sort of controlling item for these and other items we find that it shows an estimate for this year of $1,642 million but a total commitment of $3,900 million or nearly $4 billion. It is stated that of that total about $2,346 million will come due for payment in future years. My question is this. We are given very full details with regard to the expenditure of $1,642 million which is to be made this year.

The Deputy Chairman: Do I understand the hon. member is directing his attention to the item "Canadian Army—active forces"?

Mr. Macdonnell (Greenwood): No.

The Deputy Chairman: It seems to me he is directing his attention to a general discussion which has been concluded.

Mr. Macdonnell (Greenwood): I think I can satisfy you on that, Mr. Chairman. I am directing my attention primarily to the figure on the page we are considering, that is the naval figure of $268 million. I was explaining my question just by reference to the over-all figure. My question is this. There must be a figure corresponding to this $268 million, the figure of commitments, because we know that the commitment figure over-all is larger than the figure for expenditures this year.

My point is that I think we should be able to get general information with regard to this commitment figure. It is given in detail, so the department must have those figures. I presume they must have those figures available. They seem to me to be very important figures, because they indicate the policy to which we are committing ourselves. My question at the moment must be with regard to the figure corresponding to this $268 million, unless the minister considers it more convenient to answer the question for all three services rather than to have me ask this question now and then later for the army and still later for the air force.

Mr. Claxton: You are asking about the navy, and I thought we had finished the navy item.

Mr. Macdonnell (Greenwood): Yes, but I point out that my question is really a broad question. I do not care whether it is answered in three bits or over-all.

Mr. Claxton: I can give the hon. member the answer he wants. The commitments for the navy total $704,098,974, of which $427,213,488

are being carried forward to future years. The estimated cash requirement for 1952-53 is $268,224,932, which is the figure to which he referred at page 296.

Mr. Macdonnell (Greenwood): My question was not merely as to the actual figure, but the purposes covered by the amount.

The Deputy Chairman: Order. I am sorry to interrupt, but it seems to me the hon. member is referring to a section of item 248 which has already been passed. I do not think I should allow the question in respect of that section of the item.

Mr. Harkness: I do not think we can say it has been passed, because it enters into every item of the details which we will be considering under vote 248. We have no means of knowing, unless we ask the minister, which ones it enters into and which ones it does not. In other words, if we wanted to know whether it entered into 105 millimetre guns we would have to ask, and the same would apply to every one of these items. The presumption is that it enters into every item, but I think it would expedite matters considerably if the hon. member for Greenwood received a reply now.

Mr. Claxton: I think the hon. member for Calgary East has in mind the form of the estimates as they were last year. The figures that appear in the details for the Department of National Defence, beginning at pages 289 and following, and particularly the figure of $268,224,932 which appears at page 296 and is the figure which gave the hon. member for Greenwood occasion for asking this question, is for cash. Commitments do not appear in the details.

Mr. Macdonnell (Greenwood): I realize that only too well. I am asking, even if there is not to be the same detail—and I do not suppose there should be—whether we may not be given some general indication. After all, $2 billion are being committed, and indeed judging from the detailed figures given I rather surmise they have largely been committed. Is it not reasonable that when we are being committed to this huge expenditure we should have some indication as to the purposes? I am not clear in my mind as to how much detail we should ask the minister to give, but it does seem to me we should have a general idea.

Mr. Claxton: The cash we are seeking from this parliament is the amount set out in the estimates as put before this committee beginning at page 38, and it totals $2,001,725,000; that is the cash appropriation we are seeking from this parliament. If this parliament sees fit to vote this appropriation and makes that amount of money available, that will be all that will be available to meet the expenditures, the details of which are listed at pages 289 and following; that is receipting cash expenditures, and the details of the votes total up to the amount of the cash which it is expected we will spend in 1952-53.

Mr. Macdonnell (Greenwood): At the moment the minister is telling us, as I understand it and he will correct me if I am wrong, that there are commitments of $2,346 million in addition to that $1,600 million of expenditures for which the details are now being given. I am suggesting that we are just as much interested in that, because in due course we will be asked to provide the money for it. To put it theoretically and rather fancifully, supposing we found that in the details of the $2,300 million there were things we did not approve of, and we said we did not want any of those things. I have given a fanciful illustration, but I come back to ask whether it is not reasonable to ask that we be informed in some particularity as to what those details are? These are commitments.

Mr. Claxton: I am afraid the hon. member goes a good deal farther than the limits of the work of this committee, because if I understand him correctly what he really is suggesting is that we should have a multiple year budget, which is not what our system provides for at all. We would have to seek from each parliament in each successive year cash authority to meet the amount required for each year's expenditure as it is made.

The Chairman: Shall we continue to the next subheading?

Mr. Harkness: No. This item I notice includes tanks and armoured fighting vehicles, to which the minister referred a little while ago in another connection. The amount listed for last year is $22,500,000. The amount listed for this year is $22,250,000, approximately the same figure. How much of that $22,500,000 which is listed as the appropriation for last year was actually expended? What I am getting at is this. Is this actually what could be called a revote?

Mr. Claxton: Very largely a revote; only $7,500,000 of the amount voted last year was spent.

The Chairman: Is it agreeable to proceed with the next subheading?

Mr. Fulton: I wanted to ask the minister a question about the equipment of the 25th brigade in Korea, which I think comes under this item of armoured fighting vehicles. As I recall it, last year when we were discussing the estimates, or very shortly after the 25th brigade was sent to Korea, we were discussing whether or not that brigade should be accompanied by a squadron of tanks, and we

engaged in a controversy with the minister as to whether anti-tank guns should be properly classified as armoured fighting vehicles or artillery. The minister told us at that time that all that was being sent over were anti-tank guns. We recommended that the brigade should be accompanied by a squadron of tanks.

It seems to me, Mr. Chairman, that the decision of the minister as announced at that time that they should not have tanks was reversed within about three months from the time this brigade arrived in Korea. Is that correct or not?

Mr. Claxton: I would have to refresh my memory on the details and dates. The fact is that the brigade went to Korea with the type of weapon which was considered suitable for it, which was 17-pounder self-propelled guns mounted on tracks, a tank chassis, which the hon. member I think at the time called the tank, but that was not the name given by the Canadian army.

Mr. Fulton: No, indeed; I said anti-tank guns.

Mr. Claxton: I forget what the details were, but there was some controversy as he says. Anyway, it is a tank chassis carrying a 17-pounder gun. Some people call it a tank; some people do not call it a tank, but call it an anti-tank gun.

When this unit arrived it was found that in order to have additional fire power and also for greater uniformity these should be replaced by the United States Sherman M-4 A-3 EH tank, which was very similar to these Sherman tanks we have in Canada but with later modifications. That was done, and the 17-pounder anti-tank guns on their self-propelled tracks were made available to and went to our North Atlantic treaty allies and have since been delivered. There is no mystery about it. It was done in accordance with the views of the army; it has worked out satisfactorily, and we do not know why there should be any fuss about it.

Mr. Fulton: The reason there should be some fuss about it is this. If the minister will look back at the discussion which took place in this house on his estimates, when the sending of the 25th brigade to Korea was being discussed, he will find that various members on this side, particularly including the hon. member for Calgary East and myself, suggested the brigade should be equipped with tanks. We raised a very specific question as to whether it was advisable to send that brigade over there without armoured fighting vehicles to support it.

Mr. Claxton: These were armoured fighting vehicles.

Mr. Fulton: Well, we raised specific questions as to whether they were adequate. We said, in our opinion, that they were not; that they should have tanks. I raise this question at the moment because it appears to me it has been proven by the experience of the brigade in Korea that the decision should have been taken in fact at the time the brigade was sent.

We have often heard in this house and in this committee criticism on the views put forward on this side. I am not attempting to say that we are always right and somebody else is always wrong. We have been advocating for some time as a policy, both with respect to the brigade in Korea and with respect to the brigade in Europe, that there should be more concentration on armoured fighting vehicles, that is tanks, in support of infantry. Indeed, with respect to the brigade in Europe, I know the hon. member for Nanaimo, the defence critic for the opposition has suggested that instead of concentrating so much on infantry we should concentrate on armoured formations.

The point I want to make is that it does seem to me that, based on experience in Korea, that criticism appears to have been fully justified. It seems to me the experience in Korea has demonstrated not only that the criticism was justified but that the decision of the military forces, which I presume was backed up by the minister, resulted in expenditure of a very considerably larger sum of money to acquire tanks on short notice to support the brigade in Korea than would have been necessary had the suggestions made by this party been adopted at the outset and tanks acquired and sent over with the brigade to Korea when they went.

The reason I make that statement is that we have an answer which was given to a question asked in the defence expenditures committee which shows that 20 M-4 A-3 EH Sherman tanks were first acquired for the 25th infantry brigade in May, 1951. One was subsequently acquired for the 25th reinforcement group for training reinforcements in June, 1951, and that was almost immediately after the brigade landed there. My recollection is that evidence was given in the defence expenditures committee that the cost of these Sherman tanks, particularly having to be acquired as they were on short notice, was considerably in excess of what it would have been had we acquired other types of tanks, particularly the British Centurion, and placed the order at the time it was being urged on this side of the house that we should concentrate more on armoured fighting vehicles.

Members of Parliament—Pensions

Mr. Fournier (Hull): I move that the committee rise, report progress and ask leave to sit again.

The Chairman: Is it agreed?

Some hon. Members: Agreed.

Item stands.

Progress reported.

(For list of items passed in committee of supply this day, see page 3739.)

MEMBERS OF PARLIAMENT

PROPOSAL FOR LONG SERVICE PENSION PLAN—PRESENTATION OF SEVENTH AND EIGHTH REPORTS OF STANDING COMMITTEE

Mr. Hughes Cleaver (Halton): Mr. Speaker, if I may have permission to revert to the order for motions, I present the seventh and eighth reports of the standing committee on banking and commerce.

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, one of these reports recommends the introduction of a bill to establish a pension fund. Hon. members will recall that when giving notice of the motion to set up a committee I stated that if there was such a recommendation it would not be apt to meet with objection on the part of the government, but that any bill would have to be preceded by a resolution and the necessary constitutional recommendation to the house from the Governor General.

Having been informed of the report that was to be made to the house I had a resolution prepared, and had it submitted to His Excellency the Governor General. I have it here now for consideration, and would be prepared at this time to deliver the Governor General's recommendation for consideration.

Of course this could not be dealt with, except by leave of the house, without 48 hours' notice. But if I have leave of the house I would be prepared to move that the house do, at its next sitting, resolve itself into a committee to consider the resolution.

Some hon. Members: Granted.

Mr. Deputy Speaker: Has the Prime Minister leave of the house to introduce the resolution at this time?

Some hon. Members: Yes.

Mr. Fulton: May I ask if by giving consent it would merely advance consideration by a matter of 24 hours.

Mr. St. Laurent: By 48 hours.

Mr. Fulton: We would consider it tomorrow, instead of the next day; is that not correct?

Mr. St. Laurent: The resolution would be called and it would then be moved that the house resolve itself into committee on the following day. So it makes a difference of 48 hours, instead of 24.

Mr. Fulton: All right.

Mr. Deputy Speaker: Then is it agreed?

Some hon. Members: Agreed.

PROVISION FOR RETIRING ALLOWANCES

Right Hon. L. S. St. Laurent (Prime Minister) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to introduce a measure to provide for the establishment of a pension plan after long service for members of the House of Commons of Canada; to provide also for contributions by all the said members to a special account for such purpose; and to provide further that the pensions payable shall be paid out of the consolidated revenue fund and charged to the said special account.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull) moved the adjournment of the house.

He said: Tomorrow we will take up the resolution in the name of the Prime Minister respecting a pension plan for long-service members of parliament; Bill No. 390, respecting currency, the Royal Canadian Mint and the exchange fund. Then we will consider the estimates of national defence, veterans affairs, public works and agriculture.

Motion agreed to and the house adjourned at 10:55 p.m.

HOUSE OF COMMONS

Wednesday, June 25, 1952

The house met at eleven o'clock.

EXTERNAL AFFAIRS

Sixth report of standing committee on external affairs.—Mr. Bradette.

COMBINES INVESTIGATION ACT

TABLING OF FRENCH TRANSLATION OF REPORT

Hon. Stuart S. Garson (Minister of Justice): Mr. Speaker, when I tabled in mimeographed form, in both English and French, the report of the committee to study combines legislation, I referred to the fact that the French translation did not contain appendices setting out present and past legislation. I now table a French translation of these appendices.

GERM WARFARE

STATEMENTS OF DR. ENDICOTT—DECISION CONCERNING LEGAL ACTION

Hon. Stuart S. Garson (Minister of Justice): Mr. Speaker, at previous sittings of the house two members of the opposition have raised the question as to what action was to be taken with regard to Dr. James G. Endicott. I should like now to make a brief statement on the subject.

The Department of Justice has examined two issues of a communist publication entitled "Peace Review" and Dr. James G. Endicott's speech at Winnipeg of June 18, 1952, in order to determine whether Dr. Endicott and the publishers of this pamphlet should be prosecuted.

There is little in this speech of June 18 or these pamphlets which was not already contained in a speech of Dr. Endicott at Maple Leaf Gardens on May 11 last.

Dr. Endicott, as is well known, is an ordained minister of the gospel and a Doctor of Divinity. He is obviously permitting himself to be used as a tool by which the propaganda of the atheistic communist party is spread throughout the world, and I do not think that very many Canadians will be taken in by his statements. According to the information available to the Department of Justice, the activities of such people as Dr. Endicott and the promoters of the Canadian peace congress have had very little effect on public opinion.

It is probable that the ringleaders of the communist conspiracy would like us to prosecute their dupes and tools such as Dr. Endicott and the publishers and distributors of these peace pamphlets. Prosecution would give them more publicity and might give them the appearance of martyrs. It would probably not embarrass the communists if Dr. Endicott were prosecuted and convicted. On the contrary, it is altogether likely that their interests would be served by a conviction. So far as Dr. Endicott himself is concerned, a prosecution and conviction could add little to the discredit he has already brought upon himself by allying himself with the forces of oppression, terror and atheism. It is felt that the advantages of conducting a prosecution against him would be more than offset by the disadvantages.

The freedom of speech which Dr. Endicott has been so consistently abusing is the freedom of speech which all Canadian citizens enjoy. The freedom of the press which the Canadian peace congress abuses is the freedom of the press which every newspaper in Canada uses from day to day to discuss public events and criticize or defend government policy. These freedoms are what we regard as the fundamental rights of every citizen and of the press in a free society under democratic government. They are indivisible. In our consideration of Dr. Endicott's obvious abuse of these freedoms, we must be careful not to do anything to injure or destroy the freedom of all Canadian citizens and of all Canadian newspapers.

For these and other reasons, following the example of other free countries like the United Kingdom and France, the government of Canada proposes to take no action at this time against Dr. Endicott for his public support of the communist party line in the allegations, such as the libellous and false assertion that the United States, operating as part of the United Nations forces in Korea, is waging germ warfare.

Each of Dr. Endicott's statements and each act of publication and of distribution of these pamphlets is a separate episode in the operation of the tools of the communist party in Canada. The fact that the government does not think that it is upon balance wise to prosecute for these acts now does not mean, of course, that Dr. Endicott and the publishers are being absolved from responsibility for their acts. Each of these acts has been noted

and if the time should come when it seemed wise to prosecute, each of them will be taken into account.

Mr. J. G. Diefenbaker (Lake Centre): Mr. Speaker, first I should like to preface my remarks by saying that there can be no disagreement with what the Minister of Justice (Mr. Garson) has said with regard to freedom of speech, but is it not a fact that under the law as it now exists there would be no ground whatever for the prosecution of any person making statements such as Dr. Endicott has made, so long as they have to do with another country within the United Nations? In other words, there is no law at the present time that denies any person the right to say what he will in Canada about any other nation within the United Nations.

Mr. Garson: If my hon. friend had listened to the statement which I have just read he would have heard in it no admission of the proposition which he has just put forward. The statement which I have just read does not purport to be in any sense a statement of law. It is a statement of policy. I am not to be taken for a moment as agreeing with what I understood my hon. friend to state as his understanding of what the law now is.

Mr. M. J. Coldwell (Rosetown-Biggar): Mr. Speaker, may I just say at this point that I think that what the Minister of Justice (Mr. Garson) has said is in the best traditions of democratic procedure. I want to congratulate him upon it. I think we all agree that what Dr. Endicott has done is detestable, but nonetheless I think it is well that, at this time when freedom of speech and freedom of the press is being destroyed in so many countries, we take the stand which the minister has taken.

QUESTIONS

MARGISON, BABCOCK AND ASSOCIATES LIMITED

Mr. Fulton:

1. Have the firm of Margison, Babcock and Associates Limited, of Toronto, been retained by the Department of Defence Production and/or the defence department or any branch thereof in connection with the design and/or installation of defence projects?
2. If so, what are their duties in connection with these projects?
3. When was this firm incorporated?
4. Who are the members of the firm?
5. Who are the active officers of the firm?
6. What qualifications and experience have these officers for the work in question?
7. What was the first date on which negotiations for any of these contracts were first entered into with (a) this company or (b) any person who is now a member of this company, and what was the name of the person, if any, referred to in part (b)?
8. What was the first date on which any contract referred to in part 7 was awarded, to whom was it awarded, and what was the amount of the contract?
9. What is the total value of the contracts which have been let to or taken over by this firm to date?
10. What is the total of fees paid or payable to this firm for the work done to date?
11. For how many of these projects have contracts been awarded to this firm?
12. Are these contracts on a cost plus percentage fee basis? If so, what is the percentage fee?

[Mr. Garson.]

Mr. Dickey:

1. Yes.

2. Design and, in some cases, supervision of defence construction projects.

3. This firm was incorporated by letters patent (dominion) dated September 25, 1950.

4. Directors: Mr. H. A. Babcock, Mr. O. Margison, Mr. A. D. Margison, and Mr. W. G. Cutler.

5. Mr. H. A. Babcock, president, Mr. A. D. Margison, vice-president, Mr. O. Margison, treasurer, Mr. W. G. Cutler, secretary.

6. The officers of this firm have had long and outstanding experience in industrial design.

7. On March 16, 1948, negotiations for the first of these contracts were entered into with Margison and Babcock, Toronto.

8. (i) June 8, 1948, (ii) Margison and Babcock, (iii) $5,000.

9. $1,489,332.31.

10. Fees paid to June 23, 1952—$931,957.15.

11. Contracts for design and/or supervision have been let to this firm with respect to 19 projects.

12. None of the contracts are on a cost plus percentage fee basis. Contracts for design are on a straight percentage fee, out of which the consultant must pay his actual costs. The percentages range from 3 per cent to 4 per cent of the cost of the building designed. Fees paid for modification to a design to suit site conditions are paid on a daily rate basis in accordance with the schedule of the Ontario Association of Professional Engineers. Contracts for detailed supervision have been for the most part on a percentage basis, ranging from 1 per cent to 2½ per cent of the cost of the work supervised. In some cases, the fees are based in part on a percentage of the cost of the work and in part on actual field costs, in accordance with standard fee practice. For partial or occasional supervision, daily rates have been applied.

ARMED FORCES—MARRIAGES TO KOREAN OR JAPANESE GIRLS

Mr. Dinsdale:

1. Have any marriages been solemnized between Canadian servicemen serving in Korea, and (a) Korean girls; (b) Japanese girls?
2. If so, what arrangements have been made for bringing these war brides to Canada?

Mr. Blanchette:

1. (a) No. (b) Ten.

2. These brides as dependents of Canadian servicemen are entitled to free passage to their destination in Canada in accordance with existing regulations. Wherever possible they will be accompanied by their husbands under arrangements made by the Canadian army.

CHATHAM AIRPORT—RUNWAYS

Mr. Brooks:

1. Did the Department of National Defence issue contracts for the extending and laying of runways at the Chatham airport, during the years 1950 and 1951?
2. If so, was the contract on a cost plus basis, and what was the cost?
3. Did the contract include the clearing and cutting of lumber and pulpwood on this area?
4. If so, how much lumber and pulpwood was cut, and what credit did the government receive for the same?

Mr. Dickey:

1. Yes, through the Canadian Commercial Corporation.

2. No. The contract was let at firm unit prices on the basis of estimated quantities. The expenditure authorized to date is $860,599.95.

3. The contract provided for the clearing of 97 acres and the clearing and grubbing of 133 acres of land. This would involve the clearing and cutting of any lumber and pulpwood on the site.

4. As the contract was placed as a result of competitive tender, the value of lumber and pulpwood cut was not isolated.

APPEALS TO PRIVY COUNCIL SINCE JANUARY, 1949

Mr. Diefenbaker:

1. How many cases have been appealed to the privy council since the first day of January, 1949?
2. In how many of such cases were appeals (a) allowed; (b) dismissed?
3. How many of such appeals have been taken at the instance of the government of Canada?

Mr. Garson:

1, 2 and 3. Twenty-three petitions for leave to appeal from judgments of the Supreme Court of Canada have been presented to the privy council since the 1st of January, 1949. 11 were dismissed; 12 petitions were granted; out of these 12, 1 appeal was withdrawn, 7 were allowed and 4 were dismissed by the privy council.

Two petitions for leave to appeal were lodged by the government of Canada. One of these appeals was later discontinued and one was proceeded with to judgment.

No information is available as to appeals to the privy council direct from the provincial courts of appeal.

INCOME TAX APPEAL BOARD

Mr. Knowles:

1. How many cases of individuals have been dealt with by the Income tax appeal board, by years, since the board was established?
2. In how many of the cases referred to in question No. 1 has the board ruled in favour of the individual, and in how many cases has it ruled against the individual?
3. How many cases of corporations have been dealt with by the income tax appeal board, by years, since the board was established?
4. In how many of the cases referred to in question No. 3 has the board ruled in favour of the corporation, and in how many cases has it ruled against the corporation?

Mr. McCann:

1. No. of cases of individuals dealt with, by years: 1949, 32; 1950, 167; 1951, 231. Up to and including May 31, 1952, 118; total 548.

2. In favour of individual: 1949, 5; 1950, 40; 1951, 105. Up to and including May 31, 1952, 53; total, 203.

Against individual: 1949, 27; 1950, 127; 1951, 126. Up to and including May 31, 1952, 65; total, 345.

3. No. of cases of corporations dealt with by years: 1949, 6; 1950, 91; 1951, 182. Up to and including May 31, 1952, 51; total 330.

4. In favour of corporation: 1949, 1; 1950, 22; 1951, 75. Up to and including May 31, 1952, 26; total, 124.

Against corporation: 1949, 5; 1950, 69; 1951, 107. Up to and including May 31, 1952, 25; total, 206.

OPERATION OF RIDEAU CANAL

Mr. Thatcher:

1. How many men were employed by the federal government in operating the Rideau canal, as at June 1, 1952?
2. Do these employees work during the winter months?
3. What revenue, if any, was received from freight passing through the canal in the past fiscal year?
4. What was the total cost to the taxpayers for operating the canal in the fiscal year?

Mr. Chevrier:

1. Total number employed on Rideau canal as at June 1, 1952—122 employees: (a) Office—10; (b) Operating—60; (c) Maintenance—44; (d) Casuals—8=122.

2. (a) The office and maintenance men are employed on a full-time basis throughout the year. (b) The operating men are employed throughout the season of navigation from May 1—October 31, for a total of six months, during which time they accumulate approximately 3 months' compensatory leave due to working 17-hour shifts, 7 days a week, at the rate $\frac{3}{8}$ day compensatory leave per shift. They are also retained during balance of non-navigation season if required on general repair work and water control. This eliminates

the employment of casuals and provides experienced men for various work. (c) Casuals —as required.

3. No freight passes through the Rideau canal, but the total revenue from other sources was $17,464.66.

4. The total cost of operating the Rideau canal during the fiscal year 1951-52 was as follows:

Operation and Maintenance	$383,838.96
Construction and improvements	27,635.20
Total	$411,474.16

JUDGES—RETIREMENT AGE

Mr. Knowles:

1. Has consideration been given to lowering the retirement age of the judges of the Supreme Court of Canada and the Exchequer Court of Canada?
2. If so, what is the result of such consideration?
3. Has consideration been given to the amending of the British North America Act so as to make it possible for parliament to fix a retiring age for judges of all courts that come under federal jurisdiction, including those of the superior courts in each of the provinces?
4. If so, what is the result of such consideration?

Mr. Garson:

1. No.
2. Answered by No. 1.
3. Yes.
4. No conclusion has been reached.

TUBERCULOSIS GRANT—ASSISTANCE TO PROVINCE OF QUEBEC

Mr. Healy:

What financial assistance has the federal government given to the province of Quebec under the tuberculosis control grant for the purpose of purchasing X-ray equipment for the detection of tuberculosis?

Mr. Martin:

Since the national health grants program went into effect in 1948, $450,000 has been spent by the federal government for the purchase of X-ray equipment for the province of Quebec, under the tuberculosis control grant.

This amount was spent for the purchase of X-ray equipment ranging from small units used in clinic and survey work to large apparatus installed in sanatoria and for X-ray accessories and film.

HEALTH GRANTS—FEDERAL ASSISTANCE TO PROVINCE OF QUEBEC

Mr. Healy:

Since the national health grants program started in 1948, what is the total of the financial assistance approved by the federal government for the province of Quebec under the program?

Mr. Martin: $26,466,350.

[Mr. Chevrier.]

MENTAL HEALTH GRANTS—CLINICS IN PROVINCE OF QUEBEC

Mr. Eudes:

1. How many mental health clinics have been established in the province of Quebec from funds made available by the federal government under the mental health grant?
2. What population do they serve?

Mr. Martin:

1. 34.
2. Approximately 1,900,000.

HEALTH GRANTS—PERSONNEL IN PROVINCE OF QUEBEC

Mr. Eudes:

In addition to those persons who are receiving training under the professional training grant or other grants in the national health grants program, how many health personnel are employed by the province of Quebec under the program?

Mr. Martin: 1,350, consisting of physicians, nurses, mental health personnel, laboratory personnel, sanitation personnel, and others.

OLD AGE ASSISTANCE AND PENSIONS TO THE BLIND—PAYMENTS TO PROVINCE OF QUEBEC

Mr. Gourd (Chapleau):

1. What was the number of recipients of assistance under the Old Age Assistance Act in the province of Quebec, as at May 31, 1952?
2. What amount was paid by the federal government to the government of the province of Quebec on account of old age assistance for the month of May, 1952?
3. What amount was paid by the federal government to the government of the province of Quebec on account of old age assistance from January 1, to May 31, 1952?
4. What was the number of recipients of allowances under the Blind Persons Act in the province of Quebec, as at May 31, 1952?
5. What amount was paid by the federal government to the government of the province of Quebec on account of blindness allowances for the month of May, 1952?
6. What amount was paid by the federal government to the government of the province of Quebec on account of blindness allowances from January 1, to May 31, 1952?

Mr. Martin:

1. 19,566.
2. $652,245.69 (this amount includes retroactive payments in some cases to January 1, 1952).
3. $1,765,444.16.
4. 3,004.
5. $89,838.01.
6. $452,474.29.

HEALTH GRANTS—NEWFOUNDLAND PROJECTS

Mr. Stick:

1. What is the total amount of financial assistance under the national health grants program approved by the federal government, for projects submitted by the province of Newfoundland, since April 1, 1949?

2. How many hospitals in the province of Newfoundland are receiving or have received federal financial aid under the hospital construction grant?

3. What are the names and bed capacities of these hospitals?

4. What are the total commitments to date under the hospital construction grant for projects submitted by the province of Newfoundland?

Mr. Martin:

1. $2,538,929.

2. Ten.

3. Name of hospital — Number of beds

Channel Cottage hospital, 27; 4·24 bed equivalents.

Fogo Cottage hospital, 6; 3 nurses' beds; 1·772 bed equivalents.

Grace hospital, 96; 20 nurses' beds.

Hospital for mental and nervous diseases, 316.

Lamaline nursing station, 3·538 bed equivalents.

St. John's sanatorium, 116.

Springdale Cottage hospital, 27; 4·324 bed equivalents.

Trepassey nursing station, 5·9 bed equivalents.

West Coast sanatorium, 227.

Western Memorial hospital, 113; 35 nurses' beds.

Total, 928 patient beds; 58 nurses' beds; 19·774 bed equivalents.

4. $922,487.

QUESTIONS PASSED AS ORDERS FOR RETURNS

JUDGES UNDER FEDERAL JURISDICTION

Mr. Knowles:

What are the names and ages of the judges of all courts in Canada which come under federal jurisdiction, including the Supreme Court of Canada, the Exchequer Court of Canada, and the superior courts in each of the provinces?

CANADIAN NATIONAL RAILWAYS—COAL PURCHASES—SUBVENTIONS FOR CARRYING COAL

Mr. Gillis:

1. What was the total amount of coal produced in the maritime provinces bought by the Canadian National Railways in the year 1951, from (a) Dominion Steel and Coal Corporation; (b) other coal operators?

2. What was the total amount of subventions paid to the Canadian National Railways for carrying maritime coal to various subvention areas for the year 1951?

MOTIONS FOR PAPERS

POST OFFICE AND CUSTOMS BUILDINGS, CARAQUET, N. B.

Mr. Robichaud:

For a copy of all correspondence, telegrams, reports, petitions and surveys, from 1949 to date, relating to the construction of a federal building to house the post office and the customs office in the village of Caraquet, county of Gloucester, New Brunswick.

Mr. Fournier (Hull): If the reports referred to are of a confidential nature from employee to minister I would make the reservation that they be not tabled. This same reservation would apply to the following four motions for production of papers.

Mr. Speaker: Shall the motion carry with the reservation as indicated by the minister?

Motion agreed to.

CENTRAL POST OFFICE, PETIT ROCHER, N.B.

Mr. Robichaud:

For a copy of all correspondence, telegrams, reports, and surveys, from 1949 to date, relating to the opening of a central post office in the village of Petit Rocher, in the county of Gloucester, New Brunswick.

TRACADIE HARBOUR, N.B.

Mr. Robichaud:

For a copy of all correspondence, telegrams, reports, petitions and surveys, from 1949 to date, relating to the dredging of the harbour at Tracadie, in the county of Gloucester, New Brunswick, and the construction of adequate breakwaters for the protection of said harbour.

POST OFFICE AND OTHER DEPARTMENTAL OFFICES, TRACADIE, N.B.

Mr. Robichaud:

For a copy of all correspondence, telegrams, reports, petitions and surveys, from 1949 to date, relating to the construction of a federal building to house the post office and for other federal departmental offices in the village of Tracadie, New Brunswick.

MAIL DELIVERY IN BATHURST, N.B.

Mr. Robichaud:

For a copy of report made to the Post Office Department, relating to the survey made in Bathurst, New Brunswick, on house to house mail delivery.

INQUIRY FOR RETURNS

ARMED FORCES CONTRACTS

On the orders of the day:

Mr. F. E. Lennard (Wentworth): I should like to direct a question to the parliamentary assistant to the Minister of Defence Production. When may I expect answers to five questions of mine passed as orders for returns on May 15 and also six questions of mine passed as orders for returns on May 28? The parliamentary assistant intimated to me several days ago that the answers to some of these questions would be brought down at the beginning of this week. I should like to know when I may expect the answers.

Inquiries of the Ministry

Mr. J. H. Dickey (Parliamentary Assistant to the Minister of Defence Production): The answers to these orders for returns are being brought down as rapidly as possible. I think the balance of them were finally checked this morning and will be tabled before the end of the session.

EXTERNAL AFFAIRS

REGISTRATION OF UNITED STATES CITIZENS IN CANADA WITH AMERICAN AUTHORITIES—QUESTION AS TO EXTRATERRITORIAL ENFORCEMENT

On the orders of the day:

Mr. J. G. Diefenbaker (Lake Centre): I wish to direct a question to the Secretary of State for External Affairs. It has to do with a press announcement that all United States citizens in Canada between the ages of 18 and 24 have to register with the American embassy. Has any arrangement been made, or have notes passed between the United States and Canada, to provide for the extraterritorial enforcement of that regulation so that the United States will have the power to enforce it in Canada?

Hon. L. B. Pearson (Secretary of State for External Affairs): My understanding is that there is no such arrangement and that no such notes have been exchanged but I will look into the matter and give a supplementary answer tomorrow.

(Translation):

GOVERNMENT CHEQUES

QUESTION AS TO PRINTING IN THE TWO OFFICIAL LANGUAGES

On the orders of the day:

Mr. Wilfrid LaCroix (Quebec-Montmorency): I would like to ask the Minister of National Health and Welfare (Mr. Martin) if he can assure me that he will give an answer to question No. 8 which is on the order paper and reads as follows:

1. Who is responsible for printing cheques of the Canadian government, such as those for family allowances, old age pensions, etc.?
2. Why are not these cheques printed and distributed all over the country in the two official languages, as is the paper money issued by the Bank of Canada?

Hon. Paul Martin (Minister of National Health and Welfare): I shall give an answer to the hon. member tomorrow.

(Text):

GRAIN

AMOUNT IN STORE IN COUNTRY ELEVATORS—WEEKLY LOADINGS

On the orders of the day:

Hon. Lionel Chevrier (Minister of Transport): Yesterday the hon. member for Melfort asked for additional information concerning the amount of grain in country elevators. As of the 12th of June, the latest figures available being for that date, there were 164 million bushels of all grains in country elevators. Loadings at country elevators are averaging 15·2 million bushels per week at the present time.

MEMBERS OF PARLIAMENT

PROVISION FOR RETIRING ALLOWANCES

Right Hon. L. S. St. Laurent (Prime Minister) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to provide for the establishment of a pension plan after long service for members of the House of Commons of Canada; to provide also for contributions by all the said members to a special account for such purpose; and to provide further that the pensions payable shall be paid out of the consolidated revenue fund and charged to the said special account.

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

Mr. St. Laurent: Mr. Chairman, hon. members will find in *Votes and Proceedings* of yesterday the report made by the standing committee on banking and commerce recommending legislation for the purpose of establishing a pension plan after long service for members of the House of Commons on the basis of contributions equal to the contributions required by the Civil Service Superannuation Act and to be matched by like contributions from the treasury as is the case under the Civil Service Superannuation Act. Hon. members will recall that when I gave notice in the house of the motion to refer the subject matter of a pension plan for members to the standing committee on banking and commerce I stated that a number of hon. members had been working for a long time on the preparation of a plan which had been examined by the superintendent of insurance, his actuaries and by experts from the Department of Finance, and that the plan appeared to them to be actuarially sound. I pointed out that if it were felt generally in the house that the establishment of such a pension plan would strengthen our parliamentary institution by removing to a certain degree the feeling that long years spent in the public service made it impossible for a man to provide adequately for his later years such a plan would be of a nature to encourage the right kind of men to run for public office and afterwards, when they had acquired experience, to remain in public life as long as their constituents wished them to do so, it might be considered.

I said that if a sound scheme could be devised it would not be apt to meet with

objections on the part of the government because I had made sure before making that statement in the house, by discussing the matter with the leader of the official opposition, the leader of the C.C.F. party and the leader of the Social Credit group, that they felt as I did that it was something that should be envisaged not merely in the interests of those who happened to be members of parliament at the present time. It was our view that if it was something that was merely going to be in their interest it should not be considered. However, if the opinion was that it was something that would really strengthen our parliamentary institution and make it easier to get and keep in parliament the kind of representatives necessary for the health of a democratic system, then, on the assurance that it was not going to be a partisan football of any kind and was something upon which there was general agreement by those who were more concerned about the interests of the public generally than the interests of their colleagues, for whom of course they have great friendship, I said that I would put the matter before my colleagues and get their authority to have the matter referred to the standing committee on banking and commerce. Before that committee the actuaries could be heard and could report what past experience would seem to indicate would happen under this kind of fund, and if it was felt to be the right thing by the committee there could be a recommendation made as to the legislation required.

Of course I pointed out that any legislation would have to be preceded by a resolution and that such a resolution would have to be accompanied by the recommendation of the governor general as required by our constitution and by the standing orders of the house, but that if such were the development there would not be apt to be objections that could not be overcome so far as the constitutional requirements of the British North America Act and our standing orders are concerned. This resolution is the fulfilment of the implied undertaking I gave that if there was such a recommendation a resolution would be forthcoming. The purpose of the resolution is to enable the house to consider the legislation recommended by the standing committee on banking and commerce. I have gone over the bill. It is in print and I think it is already in the hands of hon. members.

Mr. Green: No.

Mr. St. Laurent: It is ready to be put in the hands of hon. members as soon as the resolution is adopted, and the terms of the recommendation, with which the bill to be introduced conforms, are included in the committee's report in yesterday's *Votes and Proceedings*. I have looked at them and they appear to be in line with the proposal that I had seen before the matter was referred to the committee, and about which I had ascertained from the superintendent of insurance and from the experts of the finance department that it was apt to be actuarially sound and a matter that would operate without any further charge on the public funds than the matching of the contributions to be made by all the members of parliament.

If that be so, and I have every reason to believe that it is so, it means that something of the order of $60,000 annually would be required to be placed in this fund and would suffice, with the contributions of the members, to provide for this additional security quite substantially although it will not operate in favour of very many of our members. It is the result of everyone being a collaborator in creating this security that makes it possible; but past experience has demonstrated that there will not be a substantial portion of the members of parliament in whose benefit it is apt to operate. That is like all co-operative undertakings. One does not know who will be in a situation where the benefits from the scheme would be very desirable but one does know that the additional feeling of security will be shared by all.

That being the case I feel it is a privilege, not as Prime Minister but as leader of the house, to provide all the necessary requirements to make it possible for the house to give consideration to this plan. If it comes to the conclusion to which it is apt to come from the information I have received I think it is a good thing and in the public interest to have it made law and become operative.

Once again, had I not had the assurance that the leaders of all parties of the house objectively felt that this was a good thing and in the public interest generally I would not have taken the responsibility of getting the authority of my colleagues to sponsor it. I know there is one hon. member who feels otherwise about it and perhaps there are others. So far one hon. member has expressed the view that there should not be in the case of members of parliament any contribution whatsoever from the public treasury to this pension fund. With that personally I do not agree. I do not see why those who serve their fellow citizens in parliament should not be entitled to the same consideration from their fellow citizens as the gentlemen who administer justice on the benches of our courts and as the officials who serve in the administration of our public affairs.

I have heard the suggestion that this would somehow lower the dignity of members of parliament. With that I am not in agreement.

I know, and all hon. members know, that the dignity of the Lord Chancellor of the United Kingdom has never been affected by the fact that on becoming Lord Chancellor he gets the assurance of an allowance to continue throughout the whole of his natural life. I do not think that the dignity of the present Prime Minister of the United Kingdom has in the least bit been affected by the fact that the legislation of the United Kingdom provides that a former prime minister is entitled to a pension from the public funds without, as I understand it, any contribution at all. Here is a contributory system which if it is set up shows the desire of each one of us to make his contribution, that will give a feeling of security to each and every one, although we all know there is probably not more than one in twenty who will ever be in a position where actual benefits to himself will materialize.

I am inclined to think that most of our people in Canada are reasonably minded and that they will feel that this is a laudable thing for members of parliament to do for each other, and that by doing it for each other they are performing a service to the public generally by strengthening our parliamentary institution.

Mr. Fulton: Mr. Chairman, before the resolution carries perhaps the Prime Minister would answer some questions in regard to this proposed scheme. Also, since the Prime Minister has referred to the views of a certain hon. member, obviously indicating myself, he will permit me to say that my questions stem from the views I hold.

If it is decided by parliament that the scheme should go through in its present form with the present benefits and with the present scale of matching contributions, I feel that it would be desirable to place it on a basis where it would be financed as far as possible by the contributions by members. Now I agree with, and I have said that I have no objection to, a pension scheme for members of parliament. I said that at the outset and still maintain that position, but my feeling is that we should if possible finance it ourselves. Even if this house feels that it is not possible for us to finance it ourselves and still have a good scheme I think we should lower as far as possible the contributions from the treasury. I am aware that the membership of the house seems to feel generally that this is a good scheme and I will therefore at this time at any rate confine my remarks to questions.

I want to point out to the Prime Minister, as a basis for the questions, that in every other parliamentary pension plan that was laid before us for purposes of comparison there is an age floor—that is an age before which no member can start receiving a pension.

We were given figures to show that if this pension were deferred to age 60 then on the basis of the same benefits as presently proposed the treasury contribution could be reduced to 4 per cent instead of the proposed 6 per cent. If the pension were reduced to 60 per cent of our payment, it would provide a pension of $2,400 a year and the treasury contribution would be reduced to 2·6 per cent. If the pension were deferred to age 55, on the basis of the same two sets of figures—

Mr. Sinclair: Mr. Chairman, I rise on a point of order. Since there is no mention in the resolution of the type of contribution by either the individual or the state, is the member in order in discussing details of what he expects to be in the bill which has not yet been presented by the minister?

Mr. Browne (St. John's West): The bill is in today's *Votes and Proceedings.*

The Chairman: I am glad the hon. member has raised the point of order because, as I was listening to the hon. member for Kamloops I was just asking myself whether he was in order. The resolution is:

> That it is expedient to introduce a measure to provide for the establishment of a pension plan after long service for members of the House of Commons of Canada;

The hon. member has said he is in favour of that. And

> to provide also for contributions . . .

He has also said he is in favour of that. What he is objecting to is the last part of the resolution which provides:

> . . . that the pensions payable shall be paid out of the consolidated revenue fund and charged to the said special account.

At this stage, as the hon. member knows, we are studying the advisability of allowing an expenditure to be made, and he would be anticipating the discussion in committee of the whole on the bill if he were to refer now to what he thinks may be in the bill itself. I know that the draft bill has been referred to the committee on banking and commerce, so he knows some of the details. At this stage, however, discussion should be limited to the advisability of allowing the expenditure to be made.

Mr. Fulton: The facts I was giving, Mr. Chairman, were to form the background of my question. I think I can ask the question without further reference to the details. I should like to ask the Prime Minister whether he would accept, and view with favour, an amendment which would insert an age floor

in the scheme, and whatever might be felt would be the best figure which would be arrived at.

Mr. Sinclair: I rise to the same point of order, Mr. Chairman. There is no mention of an age floor in the resolution. The hon. member is just as much out of order in talking about an age floor as he was in talking about a contribution.

The Chairman: The hon. member is, of course, anxious to obtain certain information. May I suggest to him he will have ample opportunity to do that. The bill is not before the house at the moment. A minister is not allowed to divulge the details of a bill. I do not have the citation at hand which is applicable in this instance, but there is one which I have quoted several times in this house and which is to the effect that at the resolution stage a minister may, if he wishes to do so, sometimes reveal details, but he is not supposed to reveal the details of a bill.

If the hon. member is, therefore, asking whether those provisions will be in the bill, I believe he is anticipating the discussion in the committee of the whole. Perhaps he might consider that.

Mr. Green: On the point of order, there is a report from the committee which is involved in this whole measure. The Prime Minister himself has referred to that report. I submit the hon. member is in order in bringing up anything either contained in that report or to which reference was made in the discussion in the committee.

Mr. St. Laurent: On the point of order, Mr. Chairman, the subject matter has been referred to a committee of the house, which committee has reported recommending draft legislation. The strict rule that applies to legislation, the form of which is still unknown, perhaps does not apply here because the subject matter and the manner in which it is recommended that the subject matter be handled is already in the possession of the house in the report that has been submitted. I am sure the hon. member does not intend to go beyond general questions, and will reserve his special arguments on his special views for the committee stage on the bill, if and when we get to that point.

Mr. Fulton: I appreciate the Prime Minister's attitude, and I should like to ask him if he will give his view on this question of the insertion of an age floor. If you like, I can relate it to the definition of long service which forms a part of this resolution. I particularly point out that the insertion of an age floor, according to the tables we were given in the committee, would have the effect of appreciably reducing the treasury contribution.

Mr. St. Laurent: The hon. member said he would like to know whether the Prime Minister would accept an amendment having to do with an age floor. My position is that, as leader of the house, I am moving the bill recommended by the committee on banking and commerce. It will be for the members of the house themselves to decide whether that recommendation meets with their approval, or whether they see fit to modify it. Of course they would not be allowed, under the recommendation made by the governor general, to amend it in such a manner as to increase the charges on the treasury, but there is no constitutional objection to modifying it in any manner that would diminish the charges on the treasury.

Mr. Green: This resolution, Mr. Chairman, reads as follows:

Some hon. Members: We know, dispense.

Mr. Green: It is a strange thing that when we come to discuss a matter of this kind we hear shouts and catcalls from different parts of the house. Surely, as members of parliament representing the Canadian people, we have the sense of propriety to debate this measure without those interjections.

Mr. Pouliot: I rise to a question of privilege, Mr. Chairman. When the hon. member said that he intended to read the resolution, I said: "Dispense", in order to be gracious to him and to give him an opportunity of saving his voice for future occasions. He said that it was a catcall. I want the hon. member to understand that I always listen to him with great pleasure, and if I said "dispense" it was not a catcall at all but a gracious suggestion for his own comfort and well-being.

Mr. Green: This resolution reads as follows, Mr. Chairman:

> That it is expedient to introduce a measure to provide for the establishment of a pension plan after long service for members of the House of Commons of Canada; to provide also for contributions by all the said members to a special account for such purpose; and to provide further that the pensions payable shall be paid out of the consolidated revenue fund and charged to the said special account.

In his opening remarks today the Prime Minister has made it clear that, in addition to payments to be made by members, there will also be payments from the consolidated revenue fund. He has told us that this measure will strengthen our parliamentary institutions, and also that the plan is actuarially sound, although I would point out that it could only be actuarially sound, if

in fact it is, which I doubt, because of the contributions from the consolidated revenue fund. Then, he has stated that the money from the consolidated revenue fund will only be a matching contribution to that made by members of parliament. Again, my understanding is that that is not the case and that there will have to be more paid by the country than is paid by the members. He has said also that no increased payments will be required in the years that lie ahead. No one can foretell that, but I shall be surprised if his statement proves to be accurate.

I believe that the government must accept responsibility for this measure.

Some hon. Members: Oh, oh.

Mr. Stuart (Charlotte): Where is your leader?

Mr. Green: The government of this country—

Mr. Abbott: Where is your leader today?

Mr. Graydon: The leader is in Fort William, and there is no use casting aspersions against him when he cannot be here.

Mr. Abbott: I was not casting aspersions.

Mr. Green: The government of Canada, and of any other country governed under the democratic system, must accept responsibility for measures placed before the house involving the expenditure of public funds. This is a measure of that type, and try as the government will it cannot get away from responsibility for this measure.

Mr. Sinclair: You have obviously no respect for the word of your own leader.

Mr. Green: Well, that is just typical of the kind of remarks that are made from time to time by the member for Coast-Capilano. I often wish that his constituents could hear him in the house. If they were to do so, I think they might get a shock.

I believe that the stand taken by my good friend the hon. member for Kamloops (Mr. Fulton) in this matter has been right from the start. I think he has shown great courage. May I say, as a native of British Columbia, that I do not believe our province has produced a finer young man in public life than the present hon. member for Kamloops.

Mr. Martin: The leadership campaign is beginning.

Mr. Pouliot: The hon. member for Kamloops is blushing.

Mr. Green: I have never seen the hon. member for Temiscouata (Mr. Pouliot) blush.

Mr. Pouliot: I have no reason to do so.

Mr. Green: I believe that any pension plan for members of parliament should be paid for by the members themselves. In this plan the members are paying far less than half the total expenditure.

Mr. Cleaver: That is not true.

Mr. Green: The remainder will be paid by our fellow Canadians. I believe that the people of Canada should not have to contribute to any scheme of this type.

Mr. Cleaver: Will the hon. member permit a question?

Mr. Green: Yes.

Mr. Cleaver: The hon. member has made a statement which I believe, I know, to be untrue.

Mr. Green: Mr. Chairman, that is an unparliamentary remark.

The Chairman: Order. The hon. member wants to ask a question.

Mr. Cleaver: Mr. Chairman, I obtained the approval of the hon. member. Once the approval is given—

The Chairman: Order. What the hon. member for Vancouver-Quadra (Mr. Green) seems to want to complain about at this moment is that he thinks the hon. member is going to make a speech. I think he consented to allow a question to be asked. The hon. member will ask the question.

Mr. Cleaver: Thank you, Mr. Chairman. I understood distinctly that I had the consent of the hon. member.

Mr. Green: Ask the question.

Mr. Cleaver: The fact that the hon. member does not approve of the question I am going to ask does not detract at all from my rights.

Mr. Green: Well, Mr. Chairman, I withdraw my approval.

Some hon. Members: Oh, oh.

The Chairman: Order.

Mr. Cleaver: I believe I have the floor as a matter of right.

Mr. Green: The hon. member can make his own speech.

The Chairman: Order. I believe we shall make better progress if this discussion is conducted in an orderly manner. The hon. member for Vancouver-Quadra had the floor. The hon. member for Halton (Mr. Cleaver) asked consent to ask him a question. The hon. member for Vancouver-Quadra gave way by resuming his seat, thereby acquiescing in the

hon. member's asking the question. When the hon. member for Halton began to ask his question it appeared to the hon. member for Vancouver-Quadra that he was going to make a statement and not ask his question. The hon. member for Halton said that the hon. member for Vancouver-Quadra did not like to have a question asked to which he would be opposed. That certainly is not the manner in which an hon. member should ask the hon. member who has the floor for permission to ask a question.

Mr. Cleaver: My question is as to—

Mr. Green: I am not answering any questions from the hon. member.

The Chairman: If the hon. member for Vancouver-Quadra does not want to consent to the question being asked, that is his right. He has the floor and therefore may proceed.

Mr. Cleaver: That is on the record.

Mr. Green: As I was saying when I was interrupted, Mr. Chairman, the people of Canada should not have to contribute in order to provide pensions for members of parliament. The burden of taxation on our people is far too heavy now. It can only be described as crushing. Just to give one example, we have the 10 per cent sales tax, the highest rate there has ever been in the history of this nation. That tax is payable by everyone, poor and rich alike. Canadians should not now be called upon to help pay for security for members of parliament. The Prime Minister (Mr. St. Laurent) has put the matter in those words; he has said it would be a nice thing for members of parliament to have an additional feeling of security.

May I remind the committee that just today we shall be considering a vote of over $2 billion for defence purposes, in preparation to defend this country and to prevent a third world war which, if it comes, may well mean the wiping out of our nation. The taxpayers of Canada are having to provide over $2 billion in this very year for these defence purposes. I do not see how, under those circumstances, hon. members can justify calling upon the taxpayers to provide a further amount, no matter how small it is, in order to help members of parliament.

I would also point out that during this very week we considered the War Veterans Allowance Act which is a measure for the benefit of men who fought in the front line for this country. In my opinion the provisions made in that measure were entirely inadequate. In addition, these men are still subject to a means test. They have to pass a means test in order to get this miserably small amount. There is no means test, however, in this pension scheme for members of parliament.

What will probably follow the enactment of a measure of this kind will be that most of the provincial legislatures will bring in similar measures. They will take the attitude that if members of parliament are entitled to a pension scheme, then so are the members of provincial legislatures. That is exactly what happened when the house raised the indemnity for members some years ago; it was not long until the various legislatures were doing the same thing. We set an example when we enact a measure of this kind.

I see no reason whatever for rushing through a measure of this kind in the dying days of the session. The details of the scheme have been available to the public only since the last week end. There has been no opportunity for people across the country to consider whether or not the scheme is a wise one. I think if a fair scheme could have been brought down there would have been general support for it across the country. But there has been no opportunity whatever for the press of Canada or the people of Canada to form an opinion on this particular scheme. We are asked to debate it today when we have not even the reports of what went on in this committee. There was quite an extended questioning carried on in the committee, and various other proposals were discussed. Government officials explained other plans. Yet we have not the reprint of those proceedings.

I suggest to the Prime Minister that this plan should stand over until the next session. That procedure would give time for thorough consideration not only by the members of the house but also by the people. Nobody is going to be hurt if the plan stands over. The pension would not be payable to anyone before the next election which we all understand is not to take place until after the next session. I repeat that no one would be hurt by letting this plan stand over until the next session. I believe that if that were done a better plan could be worked out. There is altogether too much haste, too much anxiety to get this through in a hurry; and we usually find that when that condition exists the measure as finally enacted does not turn out to be as sound as it would be in the ordinary case.

Then, finally, I differ from the Prime Minister in his statement that he believes this measure will strengthen our parliamentary institutions; I believe it will do exactly the opposite. I believe the measure itself and the manner in which it has been

brought into the House of Commons, and is obviously to be rushed through, can only lower respect for parliament across this country. I greatly regret that the measure is being brought in in this way, and at this time.

Mr. McIvor: Mr. Chairman, there is one argument involved in this pension scheme that has not yet been touched upon. There is a general opinion among certain people that the salary of members is but a small part of their income. And, using the language of the street, they say, "Look at the pickings they get!"

I do not know anything about income that comes from pickings, nor do I know any member in the House of Commons who knows. That is a point of view that we should disregard. I have heard men speak after they have passed through the House of Commons and, if I may quote the opinion of a young lawyer who had that experience, the only thing they gained was a few hot enemies and a lot of cool friends.

I commend the Prime Minister for not going ahead with this scheme without the co-operation of the leaders of the other parties. It is the perfect right of any individual to disagree with this group and to oppose any scheme that, according to his conscience, he does not think is right. I think the plan is fair to members of the House of Commons, and I commend the Prime Minister again for not proceeding without the consent of the other leaders.

Mr. MacInnis: Mr. Speaker, as one of the older members in the house, and one who would benefit if this scheme or this plan were to go through—if I should live long enough—I wish to say that I am in favour of the plan. I am in favour of the way it was introduced. With all due regard to the hon. member for Vancouver-Quadra, I do not think it is fair to say that the Prime Minister should take responsibility for the measure, in view of what has happened in the matter of communications with the various parties—provided, of course, that the same procedure was taken with the official opposition as was taken with the C.C.F.

There is, however, one thing I would like to say, and that is to suggest to my many friends on the other side of the house that they be not too hasty, and that they do not interrupt and be impatient when there is discussion from this side of the house. Nothing could cause more discredit to the House of Commons than to have it considered that members on any side or on all sides of the house tried to force this measure through, without the most ample discussion.

In my opinion the proposal of a pension after long service for members is so reasonable that we can afford to consider it calmly and dispassionately. I have the highest regard for my hon. friend from Kamloops. If he feels that he should oppose the measure, then we should consider that he is doing a favour not only to himself but to this house in opposing it. We are here to give expression to our opinions and our convictions. If either the hon. member for Kamloops or the hon. member for Vancouver-Quadra feels differently to the rest of us he should be allowed to state his opinion, and with the utmost of freedom.

Hon. members of this house have been quite generous with pensions for various categories, if I may use that term, of the public service. We have provided pensions for judges, pensions that are very ample. Not only have we provided pensions for judges, but they have been so arranged that those pensions may be divided for the benefit of their wives or widows, as the case may be. We have provided pensions for our civil servants, and the contributions to those pensions are, as I understand it, pretty much in line with the contributions provided by this bill. We have provided pensions for the various commissions we have set up. And not only do we provide them with pensions, but we provide good salaries for them, as well.

Now, surely any member who has given long service in the House of Commons, long service to the people of Canada, does not feel he is receiving too much if he receives a modest pension upon retirement, after giving that service. I have had the honour of representing a constituency in Vancouver for twenty-two years, I believe it is. I feel I have given of my best to the people of Vancouver.

Some hon. Members: Hear, hear.

Mr. MacInnis: I believe the hon. member for Vancouver-Quadra has done the same. I do not believe the people of Vancouver would begrudge me a pension for the rest of my days—

Some hon. Members: Hear, hear.

Mr. MacInnis: —and I do not know how long they will be. I do not believe they would begrudge me a pension after my service to them is finished.

Surely any member of the house who feels he has given service to his people can feel that he is entitled to assume that he will not be up against hard economic conditions

when he is no longer able to give that service. I think that is the way the question should be approached.

The position of the Prime Minister is quite simple. If he finds there is opposition to the measure from members in the house, then he can very easily say, "All right; we will not go ahead with it." But I would like to see this matter discussed calmly and on its merits, and decided by a vote of the membership, so that we would not put the Prime Minister in a position where he would have to take that responsibility; and I would not suggest that he take it. I suggest that it be left with hon. members where it belongs.

Mr. Low: Mr. Chairman, I would feel that I was negligent in my duty if I did not at this stage say a few words in connection with this resolution. I want to begin by saying that I agree with everything the Prime Minister has said. I support him 100 per cent in what he has said. I want it understood that in saying that I do not hold the Prime Minister responsible for bringing in this measure although I honour him for doing what the members of the House of Commons asked him to do.

I have been studying this matter in my mind for many months. The general proposal has been known to me for at least four months and some of the details for six or eight months. I happen to know that a proposal for a form of pension for long service in the House of Commons has been under consideration for the past two years or more by members of the House of Commons, not by the government or by the Prime Minister aside from their positions as members in the house. That would apply to the members of all parties.

I wish to make it abundantly clear that I do not think this measure is being rushed through, nor do I wish the committee to take hasty action even now. I should like to see every member given the fullest opportunity to study it and to bring himself fully into knowledge of what we are doing.

I honour any member who feels that he cannot support this legislation, if he stands up and says so and gives his reason. He has that right. I do not hold it against the hon. member for Vancouver-Quadra or the hon. member for Kamloops for taking the position they have. I have always found them to be men of great courage, men who were prepared to fight for their convictions, so I am not going to say one word now or at any other time against the stand they have taken. I believe that both of them are wrong, and I think time will show that they are wrong, but I shall fight for their right to be wrong at any time.

I have definite reasons for feeling that a scheme of this kind will strengthen our parliamentary institutions. I am not going to speak at length, and I have not asked my colleague, the hon. member for Lethbridge, if I could use this illustration. The hon. member for Lethbridge came into this house in 1935 when he was requested by his people to stand for election. I do not know of any time in his life when he has sought to represent his people. He did not seek to represent them; he was sought by his people and asked to stand. He did stand and was elected at a time when he was at the height of his earning powers.

He has been in this house seventeen years during which time he has passed the most lucrative earning years of his life. Anyone who thinks that a member can stay in this House of Commons and do his duty toward the people of the country and accumulate anything honestly just does not know anything about it. He just cannot do it.

In addition my colleague surrendered seventeen years of pension rights in the professional body to which he belonged in the province of Alberta. He did that in order to serve the public and he can never get back those rights. He is at the point of years now where it would be impossible for him to start over again. Such surrender of rights is a serious thing for any man, I do not care who he is. The same thing can be said for the hon. member for Rosetown-Biggar, who is in exactly the same position.

These are things which must be considered seriously. When anyone says that it does not strengthen our parliamentary institutions to have a measure of this kind, I do not think he has thought through the details. It is all right for a man who has a profession to which he can go back every week end and keep up his earning powers. That is true largely of the legal profession, but who wants this House of Commons to be made up of lawyers entirely? I think I speak for the general public when I say that we want some lawyers, but we do not want all members to be lawyers.

Then there are hon. members who belong to other professions which they can carry on and keep up their earning capacity over the years. By and large, if we are to have a parliamentary representation that is a cross-section of the people we must have some arrangement of this kind. Otherwise we are going to eliminate the possibility of having cross-section representation. It will end in a situation where only privileged classes will be representing the people in parliament and I do not want to see that.

I do not want to labour this, but I do want to say that I agree 100 per cent with the

Prime Minister's statement that this will strengthen and give health and vigour to our parliamentary institution. I do not know whether I shall ever participate in this plan, but if I were going to retire tomorrow from this house I would still support it because I think it has merit. I want to absolve the Prime Minister from all responsibility for bringing forward this legislation and place that responsibility right where it belongs, on the members of all parties who agreed to have it brought in and who agreed to support it. As you no doubt know, I am supporting the measure.

Mr. Coldwell: Mr. Chairman, I rise merely to say that when my good friend, the hon. member for Vancouver East, spoke, he spoke for the whole of our group. This matter was discussed with the Prime Minister and after discussing the matter with my colleagues in the house I gave him the assurance that we were in favour of a scheme of this description. When I gave the Prime Minister that assurance I understood that a similar assurance had been received from the leader of the opposition to the extent that a substantial majority of the Progressive Conservative membership in the house was in support of a scheme of this description. Consequently I would take it that the opposition which has been indicated to this measure is from a minority in the Progressive Conservative party and we should regard it as such.

A minority has the right to express divergent views, but I do not think those views should be over-valuated at this stage of the discussion. I would hope that there would be a recorded vote on this proposal as that would clear the atmosphere and we would know just where every member stood.

I want to say to the Prime Minister that I think it was unfair to suggest that either the Prime Minister or the government should assume responsibility for a measure which has been brought before this house at the request of all parts and parties in the house, and after the assurance was given by the leaders of all parties in this house that a substantial majority of the members of the parties were in favour of this measure. This is a measure which is in the interests of all members of the house, and, if I may say so without being misunderstood, in the interests more particularly of the opposition members. It is generally known that the casualties in a general election on the government side of the house when the government is returned to power may be provided for by some other means, but it is very rarely indeed that when casualties occur among members of the opposition there are places vacant after all the casualties on the government side have been taken care of. Therefore I say we should not try to place responsibility upon the government for a measure so favourable to the opposition if there should be any criticism of it here or elsewhere in the country.

As one of the senior members of the house with some seventeen years' service, I merely wish to state that during that period of time —hon. members will probably know some of the personnel to whom I refer—I have seen men and women who have served the country long and well pass beyond the portals of the parliament buildings after a general election, or forced to retire through ill health, only to return to a condition bordering on relative poverty. I do not think the people of Canada want that to occur in the future. In the last eight months or more I have talked to people about a scheme of this description. The hon. member for Peace River is perfectly right when he says there has been a good deal of discussion of the matter among various members of the house over many months. When I have gone to my constituency or have been talking to people elsewhere in Canada I have taken the trouble to say privately that such a scheme was being discussed by the members of the house, and I have not found any citizen, who has given any consideration to the matter and to the welfare of the membership of the House of Commons and of the country, who has uttered one word against a scheme of this description. I rose to say that my hon. friend spoke for us but as I was one of the three in this house who had given the Prime Minister the assurance that a substantial majority of our colleagues were in favour of such a plan I felt I owed it to the Prime Minister, yes, to the leader of the opposition, as well as to myself to say what I have just said.

Mr. St. Laurent: In fairness to the leader of the opposition, who is not here this morning, I think I should state that when he told me that he personally favoured such a scheme and that he knew that the majority of his group favoured it he did say that there might be members who would not agree. Therefore the situation which has developed is one which was implied in what the leader of the opposition said to me when I spoke to him about the matter.

Mr. Adamson: I thank the Prime Minister for an eminently fair statement with regard to the leader of the opposition. As the senior member for the Conservative party on the banking and commerce committee, I wish to dissociate myself and the party from the remarks made by the two members from British Columbia. I do so with regret

because I feel that an agreement was reached by members and all party leaders on this subject. That is why I am particularly pleased with the statement the Prime Minister has made, and if I were to indicate that the Conservative party was not prepared in every way to accept full responsibility for agreement on this measure I would not be doing my duty as a member of the house and a member of that party.

We are responsible for our actions as individuals and as members of parties. We cannot delegate that responsibility to others. I take full responsibility for what I am saying and doing now. We as a party agreed to this measure and the huge majority of the Conservative party is in favour of it. The question of representation in this house is one of vital importance to the country. The calibre and quality of the people who can be induced to give up the best earning years of their lives to come here and serve the country is of paramount importance to the well-being of Canada. I say that as a professional man because I feel that the more professional men we can induce to take their places in this chamber the better the representation we shall have.

Under the present situation you cannot expect a professional man to give up his practice to come here. I do not care how carefully he works at his profession during the recesses and week ends, no man can be a member of this house and even do the necessary reading to keep himself up to date in any profession today in our modern world. Therefore we are virtually asking the professional man to give up his profession when we ask him to come here. If we are going to induce more people of that type to become members of parliament there has to be some small measure of security after long service. At one time in the thirties there were seven Canadians who had formerly held the high office of premier in various provinces and who were not then in office or members of any legislature. Of those seven four were in receipt of charity and one was on direct relief. If we are not prepared to look after those who, as a result of the judgment of the people in a free election, are called on to write and administer the laws of the country, we make a severe reflection on the whole status of our Canadian citizenship.

Mr. Pearkes: Mr. Chairman, I am glad that this discussion has taken place because I do not think it would have reflected any credit on this house had this resolution been passed without thorough consideration.

There is just one point that I wish to raise with the Prime Minister and possibly it may be considered as a personal point; I do not know. I happen to be in receipt of a government pension at the present time. There may be other members who are in receipt of government pensions to which they have contributed, as I have contributed for a period of some thirty years. It is repugnant to me to ask for a second government supported pension.

I wonder whether the question of all members of parliament contributing to this scheme has taken cognizance of the fact that there may be members of parliament who are already in receipt of a government pension. As I say, I feel that it would be objectionable to me to be placed in the position of accepting two government pensions because I realize that there are many of my old comrades who are in a far less fortunate position and never had an opportunity to contribute to a government pension scheme.

Mr. St. Laurent: Mr. Chairman, I am not sure that the attention of the banking and commerce committee was called to the particular circumstances to which the hon. gentleman has just referred. I know that an effort was made to avoid duplication and that is to be found in the draft report in *Votes and Proceedings* under Nos. 15 and 16.

When the matter is before the committee consideration can be given to the terms of sections 15 and 16 of the bill to see whether they are sufficiently extensive. It is provided, as I understand from reading the report, that one who would be enjoying a judge's pension, for instance, would not get any allowance under this scheme. It may be that when it is before the committee of the whole for consideration it will be found that the terms should be modified because I think the intention was that there should be no duplication. If it gets to the stage of the committee of the whole I think that the committee should then give consideration to the language used to see whether it is broad enough to carry out that intention in all cases.

(Translation):

Mr. Poulin: Mr. Chairman, I would like to say a few words—and I shall not detain the house very long—on the principle of the resolution now under consideration. As I do not belong to any of the political parties represented in the house, needless to say I have not been consulted. This enables me to express more freely my humble personal opinion.

I must say at the outset that I cannot approve entirely of the principle of this resolution. I should immediately add that I am not saying this with a view to gaining a political advantage; on the contrary, for the

proposal I would put forward might be even less popular, since it would provide for an increase in the indemnity to members of parliament.

Until now only senior members of the house have expressed their views on the matter; I hope that a junior member might also be permitted to express his humble opinion.

I simply believe that a higher and more adequate indemnity than is now paid members of the house would tend to improve the quality of the representation. I do not object to members who have served their country for several years receiving a reward; reward is probably not the right word. I should rather say that the public should be grateful to those who have spent here, as members of this house, say, 12, 15, 20 or even 25 years, for the very valuable services they have rendered to this nation.

I was listening a moment ago to the hon. member for Vancouver East (Mr. MacInnis) who has submitted the most straightforward, but, at the same time, the most convincing arguments that I have heard in this house. Besides, the unanimous approval from the members proves it and reflects the general feeling of this house.

Mr. Chairman, this is what happens: A great many of the citizens of this country would be ready to offer their services, first as candidates, then as members, but they are prevented from doing so because of their responsibilities, as their financial situation would become a complete mess should they have to come here and represent their constituents during a period of four years.

I do not think that an uncertain pension, payable after 10, 12, 15 or 20 years, would be likely to improve their situation. On the contrary, if the members' indemnities were raised to $10,000 a year, they would be sure of receiving that amount and most of them could save say, $1,000, $2,000, $3,000, $4,000 annually and so accumulate a little fund which would help them to straighten out their affairs. Such would unfortunately not be the case so far as a pension is concerned and the young man who seeks a mandate would not be in a position to depend upon it when making up his mind. Granted he has been elected, he will be a member for four years afterwards. If he is defeated later on what will be the use of a pension he will never receive? What can he do?

Precisely because he has been away from his home for four years, a larger indemnity would allow this member, at least in certain cases, should he be, for instance, a professional man, or a small businessman, to pay somebody a salary, to a manager for example who would keep his business going, who would see to it that his employees would give the best possible service. In this way the members' financial position would be protected until his return.

I therefore wish to say to all hon. members of this house—as a matter of fact I am just repeating what I was saying a moment ago—that I have absolutely no intention of making any political capital from this situation, since my suggestion will certainly be far less popular than the idea of a pension. All the same it seems to me that would provide a way to improve the calibre of the representation in the House of Commons. I am not a lawyer; of course, I would naturally like to be one but I have been denied this tremendous advantage. However, I wonder if a scheme could not be devised to allow the present senior members of the house, who are about to retire, to draw such a pension and to grant from now on a higher indemnity to the younger members who happen to be in the house at the present time and to all future members. Such a plan may not be feasible but if it were it would offer, in my humble opinion, a means of doing justice to the older members who have sacrificed themselves and it would tend to improve the quality of those who will seek in the future to represent their county in parliament.

(Text):

Mr. Ashbourne: Mr. Chairman, I would like to say that I am strongly in favour of the measure now before the house and I give it my hearty support. I consider it a forward move, and I realize that it had to fall to the lot of some parliament to introduce such legislation as we are now called upon to consider.

In so far as the members from Newfoundland are concerned, I should like to point out that they could not have service in this parliament before 1949. There are some members here who did have service in the Newfoundland parliament and I think that, so far as Newfoundland is concerned, I can make out a special case for them. I think it equitable and right that Newfoundland members who served in the Newfoundland parliament before confederation in 1949 should be entitled to have the sessions which they served in Newfoundland counted as a basis for possible qualification. In order that there might be more parity in the matter so far as Newfoundlanders are concerned, I trust that when the bill is introduced a paragraph will be placed therein to cover the matter to which I have referred.

I should like to say that my seatmate, the hon. member for Burin-Burgeo, when he entered the house, relinquished his right to a pension after seventeen years of service. In so far as Newfoundland is concerned in this

matter, I do not see how there could be exact equality since, as hon. members realize, a commission of government took office in Newfoundland on February 16, 1934. Any service rendered by members from Newfoundland would be prior to that date.

Mr. Browne (St. John's West): Before the resolution carries, I do not think I should allow the remarks of the hon. member for Grand Falls-White Bay to pass without some comment. On the general question, I might say that when I first heard of it it seemed rather novel to me. I was brought up in the school that considered that members of parliament should be independent. Of course that idea has now been largely dissipated, and when we come here we are party members more than we are members of the House of Commons. Nevertheless, I have heard very eloquent speeches made on this subject today. During the past three years I do not think there has been any subject which has moved members to speak so fervently in the cause which they are representing. I have been much impressed by the arguments advanced today, and I can see that these arguments are such as would appeal to the great majority of members. Without any doubt, a very strong case has been made out in favour of pensions for members.

I think it was the hon. member for Beauce, as near as I could follow him, who pointed out that members' salaries have not been raised for a long time and that was a matter which certainly should have received consideration prior to the question of pensions. Nevertheless, if that were done it would not make provision for members of long standing who have given such valuable service to this house and to the country. It would only relate to the future, and would not provide any recognition of the valuable services which hon. members have performed. In regard to the special remarks which the hon. member who preceded me made in reference to Newfoundland, it is worth pointing out that Newfoundland was a separate country with a government of its own, and that it had members who are now representatives in this house. I should like to point out also that during the years 1934 to 1949 we had a commission of government, and there were members of that commission of government who may one day become members of this house. It seems to me reasonable and just that consideration should be given, as the hon. member has requested, to have the hon. members from Newfoundland enter into this scheme with recognition of the service which they have given in their own land.

Mr. Power: If I may be permitted to mention a personal element for a moment in connection with this particular resolution, I may say that I am probably the only member of the house who has a definite mandate on this question. It came about in this way. During the course of the last general election, the campaign in the constituency of Quebec South was based solely on the fact that the former member seeking re-election had grown old in the service of the state, had become decrepit, had lost influence in the House of Commons and, in fact, had been relegated to the doghouse where even his bark was not of very much interest. My political opponents carried on a campaign on the sole issue, as they put it in French, "mettez Power à sa pension", or in English "Pension Power off". Every telegraph pole in my constituency was covered with this slogan "Pension Power off".

The result of the election would appear to be that my electors do not approve of pensions for members. By a majority of 13,000 they decided not to "pension Power off". But adhering as I do to the old constitutional principle that a member of parliament is not the delegate of his constituency but is sent here to represent the interests of the whole of Canada, and to use his own judgment and discretion in matters that are placed before the house, I therefore feel that I could, were I so inclined, or convinced, entirely discard the mandate received from the electorate of Quebec South.

In a more serious vein, I should say that in view of the fact, if this legislation passes, that I shall be immediately placed in a beneficial economic position, I feel it would be more appropriate and more proper if I did not cast a vote, should this matter be brought to a vote.

The Chairman: Shall the resolution carry?

Mr. Fulton: On division.

The Chairman: Carried on division.

Resolution reported, read the second time and concurred in.

Mr. St. Laurent thereupon moved for leave to introduce Bill No. 392, to provide retiring allowances, on a contributory basis, to persons who have served as members of the House of Commons of Canada.

Motion agreed to and bill read the first time.

FINANCE

ADMINISTRATIVE CHANGES RESPECTING CURRENCY, THE MINT AND THE EXCHANGE FUND

Hon. Douglas Abbott (Minister of Finance) moved the second reading of Bill No. 390, respecting currency, the Royal Canadian Mint and the exchange fund.

He said: Mr. Speaker, I have a statement

which I think will take me ten or fifteen minutes to make. Perhaps we might call it one o'clock.

At one o'clock the house took recess.

The house resumed at three o'clock.

REDISTRIBUTION

TABLING OF THIRD REPORT OF SPECIAL COMMITTEE

Hon. W. E. Harris (Minister of Citizenship and Immigration): Mr. Speaker, I should like to table the third report of the special committee on redistribution.

INTRODUCTION OF NEW BILL—WITHDRAWAL OF BILL NO. 8

Hon. W. E. Harris (Minister of Citizenship and Immigration): May I have leave to introduce a bill with respect to the Representation Act. The house will be aware of the fact that we now have on the order paper Bill No. 8 which deals with representation. At the committee meeting this morning—and this is incorporated in the report I have just tabled—it was decided to recommend to the house that another bill be introduced to replace Bill No. 8. The second bill would be ready and might be read a first time today. It could be printed, and then come up for discussion perhaps tomorrow—if that meets the wishes of those who arrange these matters.

This bill will be similar to Bill No. 8, except for the necessary amendments as a result of the passing of the amendment to the British North America Act. The intention is that if the bill is given second reading it would then be referred to the committee on redistribution in order to have the schedule of the constituencies added to it in the normal way. I presume that if leave is given to introduce this bill it will also be necessary to ask for leave to withdraw Bill No. 8.

Mr. Deputy Speaker: Has the hon. member leave to introduce the bill, and to withdraw Bill No. 8 on the order paper?

Mr. J. G. Diefenbaker (Lake Centre): Mr. Speaker, I think this should be allowed to stand for a while, because the leader of this party is absent at the moment and I would not wish to give consent. I would have to refuse consent until a decision were made. If it could be held over until a little later in the afternoon it would be satisfactory.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I believe it was understood by the various parties in the committee this morning that this leave would be given, so long as it was understood (a) that no schedule would be included in the bill to be introduced at this time and (b) that its introduction today would be without prejudice to the rights of members to debate second reading of the bill. On these conditions we are quite prepared to give leave. I thought it would be well to make this statement now, and what I have said at this time would apply at a later time in the day when the Progressive Conservative party may have decided what to do.

Mr. Harris (Grey-Bruce): Mr. Speaker, the hon. member for Winnipeg North Centre has stated the understanding we reached this morning. But, in view of what the hon. member for Lake Centre has said, perhaps we could let it stand until later today.

[*Later:*]

Mr. Harris (Grey-Bruce): Earlier today I asked leave to introduce a bill but some hon. members did not find it possible to grant that leave and therefore I am giving notice that I shall ask leave tomorrow.

FINANCE

ADMINISTRATIVE CHANGES RESPECTING CURRENCY, THE MINT AND THE EXCHANGE FUND

The house resumed consideration of the motion of Mr. Abbott for the second reading of Bill No. 390, respecting currency, the Royal Canadian Mint and the exchange fund.

Hon. Douglas Abbott (Minister of Finance): Mr. Speaker, as I explained at the resolution stage, the purpose of this bill is to bring together in a single measure a modernized version of our existing legislation relating to currency, coinage and the mint, together with the necessary provisions to continue and regulate the exchange fund when the Foreign Exchange Control Act is repealed.

The bill, as hon. members will have noted, is in four parts: part I dealing with currency and coinage; part II dealing with the mint; part III dealing with the exchange fund; and part IV providing for the repeal of old measures, and the coming into force of this new measure. I will say a few words about each of these parts in turn.

Part I provides a more up-to-date version, without significant change, of most of the provisions of the old Currency Act—the remainder of its provisions will be found in part II, relating to the mint, where they more appropriately belong.

The various clauses of part I, which are fairly technical, state that the monetary unit of Canada is the dollar, and then proceed

to deal with the denominations of our currency, the characteristics of gold coins and subsidiary coins to be provided, what constitutes legal tender and in what amounts, the currency to be used in public accounts and in contracts, and some other minor matters.

In this connection there are only three points to which I think I should make special reference.

First, in regard to subsidiary or token coins, which are defined in the bill as all coins with a denomination of a dollar or less but which, more technically, are coins which have a metal content less than their face value, in contradistinction to standard coins which have an intrinsic value as metal equal to their face value, the house will note from section 5 and the schedule that the same coins with the same denominations, the same composition and the same standard of weight and fineness are being provided. In the case of certain silver coins the remedy allowance is increased somewhat to the United States level, in order to make possible a more rapid production of coins.

However, we have also thought it desirable to provide for a situation which has arisen seven times during the last ten or twelve years, namely, that in war or emergency there may be a temporary shortage of some of the metals used for coinage—silver, copper, nickel—and it may be urgently desirable to conserve supplies of these metals for defence purposes. Hon. members will recall the various changes we have had to make in the composition of our nickel coin in recent years. We have had to make these changes under our emergency legislation. If this bill is enacted, the governor in council will in future have the statutory power to issue a proclamation changing the composition of any subsidiary coin when considered necessary to conserve some of these basic metals.

My second point relates to gold coins. In the old Currency Act there was authority to coin $20, $10, $5 and $2½ gold coins with a standard weight and fineness which, at the old gold price of $20.67 per ounce, resulted in these coins having a gold content equal to their face value, and Canadian gold coins as well as British and United States gold coins were made unlimited legal tender for their face amounts. When in the mid-thirties the price of gold was raised to $35 per ounce, these coins had a metal content very much in excess of their value as coins. Consequently those held by private persons have tended to disappear from circulation. The house will realize that because at the present time we are not maintaining any fixed par for our monetary unit, it would be impossible to lay down at this time any fixed standard weight for our gold coins, in other words, any gold parity for the dollar. Whatever may be the varying view of hon. members on this general subject of the so-called gold standard, I am sure all would agree with me that for the present it is, to say the least, impracticable to fix a gold parity for our dollar.

In this bill, therefore, we are simply trying to maintain the status quo. Section 4 provides that as and when the par value of the Canadian dollar has been established by or under an act of parliament and is being maintained, that is to say the par is being made effective, then the governor in council may by proclamation authorize the issue of gold coins with denominations of $20, $10 and $5, with a fineness of nine-tenths, and with a standard weight necessarily not specified but it must, of course, be such that the value of the gold contained in the coins is equal to the face value of the coins.

I may add that we have dropped provision for a $2.50 gold coin because at the present price of gold such a coin would be inconveniently small.

The third point relates to legal tender. The bill provides that a tender of payment of money is a legal tender if it is made in gold coins issued under the authority of section 4, which I described a few minutes ago; in subsidiary coins, up to certain limited amounts, issued for circulation in Canada or issued for circulation in any province of Canada before it became a part of Canada and which immediately before the coming into force of this act were legal tender in Canada; and, of course, notes of the Bank of Canada. As compared with the present legal situation, we are merely dropping the provision that British and American and Canadian gold coins issued in the past, on the basis of $20.67 gold, are legal tender for their face value; there is no longer any point in retaining this provision, as obviously these coins will not be turned over by a debtor to his creditor at their face value—certainly not except in the rarest of instances.

Part II of the bill brings together the provisions relating to the mint presently contained in part II of the Department of Finance and Treasury Board Act—part I of that act was repealed by the financial administration act passed last year—and certain provisions of the old Currency Act which are essentially related to the operations or functions of the mint.

This part provides that all coins of the currency of Canada intended for circulation in Canada shall be issued at and from the mint. It requires facilities for making coins and for the melting, assaying and refining of gold to be established at the mint in Ottawa—

which is set up as a branch of the Department of Finance—and it permits the governor in council to establish an assay office or branch of the mint outside of Ottawa to provide facilities for melting and assaying gold or performing any other function of the mint other than coinage. Hon. members will recall that we have an assay office to perform these limited functions of melting and assaying gold in Vancouver, thus providing convenient access for gold producers in British Columbia and the Yukon.

The master of the mint and such other officers, clerks, and employees as are required are to be appointed in accordance with the Civil Service Act. The provisions of the old Mint Act protecting the retirement rights of certain old employees of the mint who were employed when the mint was a branch of the royal mint are being carried forward in this bill.

This part of the bill also includes the necessary provisions for the making of regulations governing the purchase of supplies of metal for coinage, the purchase, assaying, refining and storage of gold, the prices, charges and other terms upon which the minister may buy, sell, assay, refine and store metals, the making of coins for other countries, and all other matters relating to coinage. It also includes detailed provisions for the trial of the pyx, requires the auditor general to inspect the store of bullion and coin at the mint at least once a year, and requires the master of the mint to make an annual report on the operations of the mint.

I now come to part III. The house will recall that when I announced last fall the dropping of all foreign exchange control regulations, I intimated that it would be necessary at this session of parliament to repeal the Foreign Exchange Control Act and provide for successor legislation suitable for the continuing conditions of the post-war period. The Foreign Exchange Control Act is one of the measures to be repealed by part IV of this bill.

To take its place we are proposing to re-enact in part III of this bill the essential provisions of the Exchange Fund Act of 1935 which it will be recalled was passed at a time of fluctuating exchange rates not too much unlike the present. The whole purpose of that act was to establish an exchange fund to aid in the control and protection of the external value of the Canadian monetary unit.

This fund was continued by the Foreign Exchange Control Act. Provision for its further continuance and for the conduct of its operations is contained in part III of this bill.

All gold, currency, deposits and securities now held in the account will, of course, continue to be held and the Minister of Finance is given power from time to time to purchase or acquire, or cause to be purchased or acquired, with money in the exchange fund account, the following: (a) gold; (b) currency of the United States; deposits in currency of the United States held in the name of the minister with the Bank of Canada or any bank designated by the minister; treasury bills or other obligations of the United States; (c) currencies of any country other than Canada and the United States that are freely convertible into gold or United States dollars, and deposits in such currencies held in the name of the minister with the Bank of Canada or any bank designated by the minister; and (d) securities of or guaranteed by the government of Canada.

The minister, of course, is also given power to sell or cause to be sold any gold, currency, deposits or securities purchased or acquired by him or on his behalf at any time with moneys in the exchange fund account, and the proceeds of the said sales, together with all earnings and interest, are to be credited to the account. The minister is also given power to make advances to the account out of the consolidated revenue fund on such terms and conditions as the governor in council may approve. Any expenses incurred in the operation of the account are to be paid out of the account.

As in the old Exchange Fund Act, the Bank of Canada is relieved of the obligation to maintain a minimum or fixed reserve ratio of gold or foreign exchange to its liabilities, and there are certain provisions designed to maintain the secrecy of the fund's operations. The provisions of the Financial Administration Act do not apply to the account, and while the auditor general must audit it and the transactions in connection with it, his certificate in general is limited to certifying whether the transactions in connection with the account have or have not been in accordance with the provisions of the act and whether the records of the account do or do not show truly and clearly the state of the account. No civil servant and no person employed in the Bank of Canada is permitted to allow any unauthorized person to have information in regard to the fund or its operations.

As I indicated at the time foreign exchange control restrictions were removed, it will be our purpose not to attempt to maintain any stipulated parity or fixed exchange rate for the Canadian dollar, at least under present conditions, but rather merely to operate so as to minimize extreme fluctuations—to smooth a trend somewhat rather than to attempt to resist a trend in either direction.

Part IV merely repeals the Currency Act, part II of the Department of Finance and Treasury Board Act dealing with the mint, sections 28, 29 and 30 of the Bank of Canada Act, and the Foreign Exchange Control Act; and provides for the coming into force of the new act on a day to be fixed by proclamation of the governor in council.

Perhaps I should explain that sections 28, 29 and 30 of the Bank of Canada Act are those sections which give to the governor in council power to require gold coin or bullion to be turned in to the Bank of Canada and to direct that in such a case the price paid shall be the old mint price of gold, that is to say $20.67 per ounce. The first subsection of section 28, which gave this power in respect of gold held by the chartered banks at the time of coming into force of the Bank of Canada Act, is already spent, and some other features of these three subsections relating to accounting are consequential in character.

I think it will be generally agreed that the primary effect of these subsections is to impose an unconscionable penalty and I think the time has now arrived when this penalty can be forgotten.

After the bill has been given second reading I shall move that it be referred to the committee on banking and commerce where the officers of my department will be available to explain its detailed and technical provisions.

Mr. J. M. Macdonnell (Greenwood): Mr. Speaker, I have only a few comments to make as I think the proper place to deal with these matters at length is in the committee. However, there are one or two matters to which I should like to refer. I am sure the Minister of Finance (Mr. Abbott) will realize how fully we are in accord with him when he says that the intention of the government is not to try to fix any parity to the dollar at the present time but to smooth out the irregularities.

It seems to me that perhaps the most important thing in this measure, although it will not create any practical difference at the moment, is that we now have legislative recognition of the fact that there is no fixed backing behind the Canadian dollar. The requirement of 25 per cent backing which was contained in the Bank of Canada Act is removed by this act. One question which I shall raise in the committee is in connection with the power being left to the governor in council to reassert it at their discretion.

Ever since 1939, and perhaps earlier, we have had nothing that could be referred to as a managed dollar. We did have the Exchange Fund Act, which was repealed by the Foreign Exchange Control Act. I take it that it is also true that there is no power now, short of legislation, to prescribe fixed rates of exchange as between Canadian and other currencies because that was contained in the Foreign Exchange Control Act which is now being repealed.

The third matter which is of importance will be dealt with by the hon. member for York West (Mr. Adamson). I refer to the removal of what seemed to be a very arbitrary provision for buying gold below the market price.

There is one other matter I should like to refer to which no doubt will be dealt with in the committee. I take it that by and large the responsibility of operating our gold and United States currency account lies with the minister, and I take it also that the minister's agent in these operations, both during wartime and probably now, has been and is the Bank of Canada. I leave the matter to the committee with those comments.

Mr. Rodney Adamson (York West): Mr. Speaker, I of course welcome this bill, particularly those clauses repealing the arbitrary and wholly unjust sections of the Bank of Canada Act with regard to the enforced purchase of gold at $20.67.

Mr. Abbott: Let us call them out of date.

Mr. Adamson: Call them anything you like as long as you get rid of them and it will satisfy me. We have been pressing for the removal of these clauses for a number of years and welcome their disappearance. If anybody had any doubts on the matter I think the bill goes to show the use and effectiveness of gold as a monetary backing for paper currency. While the ratio of gold reserves to currency is done away with I do not see how you could have a fixed ratio of gold to currency without fixed parity. In fact I think it would be quite impossible. The point about gold coinage of course is not operative at the moment and will not be until such time as we return to a gold parity for our currency. As the minister says, when that will be no one can tell at the moment. I would hope that the bill would have the effect of restoring the use of gold as a backing for currency and would liberate a certain amount of the gold that is now being hoarded.

There is one other point in the bill which I think is a wise provision, the use of the exchange fund. At the present time with large capital movements particularly across the border it is necessary to have some fund that can prevent a raiding of currencies. When you have market manipulators you have to have some fund large enough to

prevent any manipulation of the currency for the pecuniary ends of speculators. I think that is a wise and justifiable provision. With the immense amount of foreign investment in Canada it seems to me there must be some organization capable of neutralizing panic conditions which may exist from time to time. We know that stock market crashes, rumours of war and many other things have an extremely jittery effect particularly on the New York stock market, and the exchange fund is most necessary to prevent the full evil impact that such occurrences might have on our economy. When the bill goes to the committee we shall be able to discuss it in detail.

Motion agreed to, bill read the second time and referred to the standing committee on banking and commerce.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF NATIONAL DEFENCE

Defence services—

248. To provide for the Canadian forces, the defence research board and other expenditures relating to defence, including contributions toward the military costs of the North Atlantic Treaty Organization, and notwithstanding section thirty of the Financial Administration Act, to authorize total commitments for the foregoing purposes of $3,988,568,232 regardless of the year in which such commitments will come in course of payment (of which it is estimated that $2,346,221,325 will come due for payment in future years); and to provide for the estimated actual expenditures in the fiscal year 1952-53, $1,642,346,907.

The Chairman: According to the agreed procedure we were examining the details as they appear in the book of estimates at page 297. When we were last considering these details I think we were studying the subheading, "Reserve force, including Canadian officers training corps."

Mr. Pearkes: We had not finished with the army.

The Chairman: We had not finished with the army. Therefore we will consider the details as to the army.

Canadian army—active force and general.

Hon. Brooke Claxton (Minister of National Defence): Mr. Chairman, when the house rose last night the hon. member for Kamloops had just concluded some remarks about tanks with respect to which I should like to say a word. I believe his point was that we should not have sent 17-pounder self-propelled guns with the 25th infantry brigade to Korea but that we should have ordered Centurion or Sherman tanks before and supplied them to the brigade. He referred to a statement he had made on this subject in 1950. In the first place I should like to say that a 17-pounder anti-tank gun is a normal part of an infantry brigade group, and the decision to send a number of these guns with the brigade to Korea was arrived at for purely military reasons.

When the brigade arrived in Korea the brigade commander found he was to be associated with United States forces but working as an independent brigade. The commonwealth division had not yet been formed, and that was one of the reasons which led him on May 6, 1951, to recommend that we substitute Shermans of the M-4A3E8 type for the M-10's which are the 17-pounders. His message sent on that date to the chief of the general staff read in part as follows:

Because Centurions are not immediately available I have now decided to request permission to change the M-10's for the M-4A3E8. Cost of these tanks would be much less than Centurions or Pattons. My decision has been made with the advice of British and United States armoured men and commander C squadron.

That was before the brigade group entered into action so that none of the hon. gentleman's remarks bearing on that aspect of the matter had any relevance whatever. The brigade entered into action with the tanks which they have since used and employed very well. There is only one remaining point and that is whether it would have been possible for us, even if it had been desirable, to have acquired either Centurions or M-47 or M-48 Sherman tanks at the time he suggested, namely, on the 7th of September, 1950. The answer is that neither Centurions nor Shermans of that type were available for us at that time. Later we ordered Patton tanks, the M-47, just as soon as they could be delivered to us. Subsequently production of those tanks was suspended and we ordered Centurions; and we are having delivery of the Centurions as early and as quickly as we could have done by taking the course as early as September, 1950, which the hon. gentleman suggested—if that had been advisable. We submit that it was not militarily advisable and it was not possible.

Mr. Diefenbaker: Mr. Chairman, I want to leave the subject that is being dealt with at the moment and bring to the attention of the minister a matter upon which I asked him a question about two weeks ago. It comes under the heading of acquisition of buildings and works, one of the items under this section of the army.

What I have to place before him are a number of suggestions regarding the Yellowhead route that have been made by the Trans-Canada Highway System Association which has its head office in Edmonton. This organization, representative of urban and

rural communities in British Columbia, Alberta and Saskatchewan, asks, now that the trans-Canada highway location has been definitely established as the south route—with which this organization has no disagreement—and having regard to the tremendous developments that are taking place in northern Saskatchewan, Alberta and British Columbia, that in the interests of our national defence the highway between Winnipeg, Saskatoon, through Watrous, Saskatchewan, and thence through Edmonton and by the Yellowhead route to the Pacific coast should be proceeded with and a military defence road built either in co-operation with the provinces or directly by the Department of National Defence. I wish to bring to the attention of the committee and through you, sir, the minister, the representations made by these organizations and in particular a reference that is made in a letter of the 14th of May, 1952, wherein is embodied in short summary form the reason for the need of this highway. In that letter it is stated as follows:

> In the case of a global war, northwestern Canada will very likely be one of the battlegrounds. Therefore, the Canadian National Railways must be supplemented—and with all haste—by a military highway in the same manner as the trans-Canada highway will supplement the Canadian Pacific Railway. In fact, northwestern Canada must have all three means of transportation—railways, highways and skyways. Even if the highways are knocked out at times as a rule they can be mended very much quicker and easier than railways.

I need not point out to the minister and the committee the development in northern Saskatchewan and northern Manitoba today in mineral production and in the production of uranium and other basic ores. That development makes northern Alberta, Saskatchewan and Manitoba one of the most strategic places in Canada. Indeed, the minerals being produced and the minerals about to be produced there will I believe, as years go by, forge the shield of freedom everywhere among the freedom loving nations.

I am not going to go into the details of the mineral development nor of the tremendous oil development in the province of Alberta. Suffice it to say that, in so far as oil development is concerned, although only about three or four per cent of the total area available for production has as yet been investigated, the oil potential is twice as great as that in Venezuela, one of the great potential oil fields in the world, and it is within seven billion barrels of that still remaining in the United States of America.

I could mention too the vast supply of uranium and of other basic ores. Today in the event that war should come there is no means of those areas being protected unless there is available a military highway such as is suggested by the Trans-Canada Highway System Association supporting the northern or Yellowhead route. I want to refer particularly to some recent editorials on the subject and also to some speeches made with which I am in agreement.

One of the questions asked is this: Why is it that the federal authority has not been building military highways? And the answer given by the association is:

> In case of war there should certainly be a military highway over the Yellowhead route to connect the cities of Winnipeg, Edmonton, Vancouver and Prince Rupert and to supplement the Canadian National Railways.

On the 23rd of February, 1952, the *Financial Post* contained the following item:

> There appears to be some difference of opinion in Ottawa as to what should be the policy on roads. Finance Minister Abbott has implied that they are relatively unimportant in defence and that their financing could not be undertaken at the same time as other defence needs. On the other hand Defence Minister Claxton is said to have admitted the inadequacy of the highway system. High army officers are reported to be alarmed at the state of the nation's roads.

Then it refers in the same issue of the *Financial Post* to the speech given before the Canadian Construction Association convention by president Robert Drummond in which he declared:

> . . . that federal authorities have not fully recognized the vital importance of roads in time of peace or war.

Furthermore, a similar point of view was expressed by C. W. Gilchrist, managing director of the Ontario Good Roads Association who spoke in Toronto. He said:

> The federal government's failure to recognize the importance of roads in defence is a policy which may, in the long run, prove hazardous to defence and detrimental to the well-being of the nation.

Again, the *Financial Post*, issue of February 15, states:

> Mr. Gilchrist challenged a statement made by Finance Minister Abbott who had inferred that roads are relatively unimportant in defence.

Then he goes on to say this:

> Mr. Claxton said in the House of Commons that many bridges cannot carry the weight of even a medium tank. High ranking army officers have said that they are alarmed at the state of the nation's roads. Ottawa's plans for the proper use of roads and highway transportation in civil defence are also pitifully inadequate.

Finally, the Edmonton *Journal* of February 14, 1952, in an editorial dealing with Mr. Gilchrist's remarks, said this:

> Of all highway projects none is more vital for Canadian defence that the evergreen highway from Winnipeg to Vancouver, of which the Yellowhead will be the western arm.

I want to add as well some of the views expressed by leaders in western Canada. The commissioner of the North Battleford board

of trade, Mr. Wright, set out the facts in a statement that he submitted to the department as to the vital need of this road for national defence. Mr. S. N. MacEachearn, commissioner of the Saskatoon board of trade, summed it up in these words:

> Our highway committee has given considerable study recently to the problems of defence as they affect prairie centres. All across Canada citizens are being alerted to the need for instruction in civil defence in case war on a world scale again breaks out. Despite the efforts of leading citizens, many citizens in many of our cities are still apathetic. There seems to be a feeling that, as in the case of the last two world wars, Canada in the event of another outbreak, would still be free from invasion.

Then Mr. MacEachearn goes on to say this:

> Canadians are now confronted with the possibility of an attack by a much more formidable enemy than the Japanese and by one at a much closer range. There is a feeling among citizens, particularly of the northern cities of the prairies, that there should be access to the Pacific coast and to Vancouver by a route additional to the ones now in existence. There may be a hurried need for the withdrawal of population from the Pacific coast to the prairies or for the supplying of defence equipment to coast points.

Then he goes on to point out that a highway such as this is necessary in the considered opinion of the Saskatoon board of trade, and the officials of that board of trade, many of whom had distinguished military records. The same applies to the Edmonton chamber of commerce and board of trade, and also to other boards of trade across northern Saskatchewan who are, as I find it, uniformly in support of action being taken in this regard.

A moment ago I mentioned something of the resources in northern Saskatchewan and Alberta as to minerals and oil. Let me also point out how necessary this road would be in connection with some of the defence projects that have recently been established in these four provinces. There is the vast aluminum plant at Kitimat, the estimated cost of which will be $550 million; an oil pipe line to Vancouver from Edmonton via the Yellowhead route, $82 million—the Yellowhead route follows in general the route of this oil pipe line; the chemical plant nine miles east of Edmonton, $54 million; the celanese plant at Prince Rupert, $24 million; the establishment at Edmonton of three new oil refineries, $20 million; the Sherritt-Gordon steel mills at Fort Saskatchewan, $17 million; the bombing site west of Cold Lake, $14 million; the new seaplane base at Lac la Biche, $12 million; a second chemical plant two miles east of Edmonton, $12 million. In addition to that, there is the establishment of the Greisbach barracks and ordnance depot at Namao, ten miles north of Edmonton, at a cost of $15 million. There is the housing and equipment for 5,000 men at Wainwright camp, at a cost of $15 million.

In other words, there has been a concentration in the northern part of these four western provinces of defence works, without taking into consideration the development and the expansion in connection with the northern radar chain. I make this statement on behalf of these various boards of trade and chambers of commerce in northern Saskatchewan, Alberta, and British Columbia. I ask the minister whether or not consideration has been given to the building of this northern route as a military or defence project, having regard to the fact that billions of dollars' worth of necessary defence projects have been established in this area, and that in addition to that almost a billion dollars is now projected to be spent in connection with defence or quasi-defence projects necessary to the preservation of our freedom.

Mr. Claxton: This matter was brought up in the house before, Mr. Chairman, and I answered the question on June 11 of this year. The answer appears at page 3125 of *Hansard*. I have very little to add to the answer then given. There is no such thing, that I know of, as a military road of the character described by the hon. member. There is a road, and roads are the responsibility of the provincial and municipal governments, with the single exception of the trans-Canada highway where parliament has appropriated money to assist in the project because of its national significance.

The Alaska highway was built as a military project because at that time it served no civilian need and could not be justified on any civilian grounds. For the same reason, that road has been maintained by the Royal Canadian Engineers as a military project, which it is. The Department of National Defence is interested in any improvements, in communications or transportation. It all helps. As for assuming any part of the financial responsibilities we would have to consider that in the light of other defence needs. We cannot do everything we want. We cannot do one-tenth of what we want with the money available, which has to be spaced out in the program. So far that program has not contemplated assistance to provinces or municipalities to do what the provinces or municipalities would do anyway for local and civilian purposes.

Now, I cannot add anything more to that. It is a plain statement of our position. We have not got the money to do it, and it is not our responsibility to do it. If we had more money for defence, we would apply it on more urgent military needs than this one.

Mr. Gibson: I welcome the statement of the Minister of National Defence, because I know he realizes how important the defences of the west coast are. As the member for Nanaimo has pointed out, he feels that perhaps there has not been the same consideration given to the west coast as there has been to various other parts of this country. I am not going to say that is true. I am very pleased with the development of the great airport at Comox, which has been proceeded with by the minister, as well as the one at Tofino. At this stage, I should like to express my personal appreciation of the assiduous attention the minister has paid to his job. I do not think there is any minister in the cabinet who has had a bigger job or who has worked harder.

The minister mentioned the fact that the road systems of this country are the primary responsibility of the provinces. I believe that all hon. members can agree with that. However, I have often thought that with the tremendous sums of money we are spending in national defence for the establishment of these various projects, it might be well if the minister were to approach the provincial governments to see if there were any joint projects into which they might enter on a basis of mutual profit. I recall a very important road that has been suggested since 1943. As a matter of fact, it would link up the airport at Tofino, which is a defence airport, with the road system of Vancouver Island. The road would be about 30 to 35 miles long, and would cost something over $1 million. I believe the hon. member for Nanaimo was the officer commanding that area at the time it was first contemplated. Whether or not he has changed his mind since then, I still believe that it would be a valuable and important road. I like to think that if such a road were established it would not be entirely a capital investment with no profit, because after all if the minister will look over the record of the cost of transporting equipment, supplies and personnel into the Tofino airport during the war, he will find that it amounted to a substantial figure. One might offset the million dollar expenditure for that road against the continuing cost of moving supplies in and out. I think the minister might find that he had made a good bargain by investing that million dollars.

I should like to point out also that to get personnel and equipment into the Tofino airport during wartime it was necessary to send convoys down there. Fortunately we did not have an instance such as that at Estevan Point 50 miles north, where a Japanese submarine shelled the coast during the war. But actually, to move troops in there with any safety by water, convoys would have to be provided at considerable expense. I would therefore strongly urge the minister to ask his officials to look into the possibility of establishing that road. After all, not only would it be of great military worth but I think that the province could easily be considered as going in on an economic basis with the minister and assisting him.

Mr. Sinclair: A sound political project.

Mr. Balcer: Will the minister give us some explanation with regard to this new service college that he intends to establish in Quebec, according to his statement made on Thursday, June 12? Can he tell us what type of school it will be? Is it to be a college or just a military school for French-speaking cadets prior to their entry into Royal Roads or the Royal Military College? Will the minister give us a few more details with regard to the matter?

Mr. Claxton: I shall be glad to do so. The purpose of this college is to supplement the officer training facilities we already have either at Royal Roads and the Royal Military College at Kingston, the Canadian services colleges, or at the universities and in other plans. In order to meet the particular needs and circumstances of the province of Quebec and of Canadians of French-speaking origin we have decided to establish a Canadian service college at St. Johns in the province of Quebec. It will be located in the present army barracks which are being substantially added to and renovated.

The intention is to open this college, in the first instance, for one year when students having the equivalent of junior matriculation will be brought up to the equivalent of senior matriculation, which is the requirement for entrance to Royal Roads or R.M.C. and is also needed for entrance to most universities in order to take a course having technical qualifications such as that of engineering. If the success of this operation warrants it, it would be our intention to carry on this particular college for a second and third year so as to have it on the same basis as R.M.C. and Royal Roads.

I should add that only a small proportion of the officers who enter the armed forces come from the services colleges. By far the greatest number do not come from college at all, but come in by direct entry, on short service commission or for aircrew in the air force. The second largest group comes through the universities, through the university training plan. It is only the third group that comes from the services colleges. We want the largest possible proportion of men coming from the services colleges to have technical qualifications, particularly as engineers or other classifications requiring

similar educational qualifications. That is a main justification for having Canadian services colleges.

Mr. Low: What would be the target at the new college?

Mr. Claxton: I should not like to set a target figure because the operation is quite experimental; but on the basis on which we plan to begin, it would be estimated at 100.

Mr. Balcer: From the information the minister has given, are we to gather that it is the intention of the department to establish this college on a sort of permanent basis?

Mr. Claxton: It is on a permanent basis.

Mr. Balcer: And are we to gather that it will be of the same type as Royal Roads and R.M.C.?

Mr. Claxton: Yes. That is right.

Mr. Balcer: Can the minister tell me whether the cadets, if they have a three-year course at St. Johns, will go from there to R.M.C.?

Mr. Claxton: They could go either to R.M.C. or to a university.

Mr. Balcer: It would be on the same footing as Royal Roads?

Mr. Claxton: Yes; or the first two years of R.M.C.

Mr. Balcer: I should like to get a little bit more information. What will be the contribution of the Quebec universities? In his statement the minister said that this college would be carried on with the co-operation of the two universities. What contribution will they make? Will they supply professors?

Mr. Claxton: That is a matter that is still being worked out. I said that I had discussed this matter with the authorities of the university of Montreal and Laval university and that they had offered their co-operation which I was glad to accept. The department is now working out the detailed curriculum and the organization of the college. Before that is put into effect, we shall seek the views of the appropriate teachers and officials at Laval university and the university of Montreal. We may also go to them for assistance in supplying teachers as well as for advice and support generally in the operation of the college.

Mr. Balcer: As I understand it, this will be a French college?

Mr. Claxton: It will be primarily French speaking, but the English language will also be used there.

Mr. Brooks: The qualification for entrance to St. Johns college would be the same as to R.M.C.?

[Mr. Claxton.]

Mr. Claxton: No. It would be either junior matriculation or its equivalent. Generally speaking, it would be a year less than for entrance to R.M.C. or Royal Roads.

Mr. Macdonald (Edmonton East): In the first session of this parliament I pointed out the requirements for defence with regard to a highway which was under consideration in this chamber at that time and which was known as the trans-Canada Yellowhead route. In view of the remarks made this afternoon by the hon. member for Lake Centre I take this opportunity to draw the attention of the minister to the views that I expressed at that time. I believe they are as applicable today as they were then. Irrespective of a highway of national importance to serve the needs of the population, I believe that a Yellowhead pass highway would serve and meet the defence needs; I refer to a highway into Edmonton from the east and west of Edmonton through the Yellowhead pass. Were money made available, and consideration given to its early construction, I believe it would meet the defence needs. I am sure the minister is well aware of the situation with regard to representations that have been made from time to time to the effect that a defence highway in and out of Edmonton would serve the needs of the future and would also serve the defence needs for the present. I hope that every consideration will be given to some means of having that highway put over the Yellowhead route. It would serve not only the greatest number of people in western Canada and our defence forces but would be for the greatness of Canada in the years ahead.

Mr. Claxton: I appreciate what the hon. member for Edmonton East has said. I think he was the first to speak to me about this, and also about the highway to connect Edmonton with the Alaska highway. Hon. members from every province have made similar representations at one stage or another about roads in their provinces, and very good cases can be made for them. I can think of several in the maritime provinces, for example, as well as in Newfoundland and British Columbia, in fact in every part of Canada. But these roads are primarily for the use of the provinces and their inhabitants and, as such, are a provincial responsibility. If there are very unusual circumstances, where a highway would not exist and would not be practicable except for federal support, and if such a road were considered essential for military operations, then of course the situation would be different. But we do not know of any such road among those thus far suggested.

Mr. Bater: Mr. Chairman, I am in accord with what has been said by the hon. member

for Lake Centre and the hon. member for Edmonton East with respect to the Yellowhead highway from Winnipeg to Edmonton and the northwest. I have spoken on previous occasions with respect to this highway, and I wish to state again, I hope this will be given serious consideration. I contend that highway No. 5 between Winnipeg and Edmonton is the link between the east and the great northwest. The hon. member for Lake Centre has referred to the many millions of dollars invested in the city of Edmonton, but there are one or two spots he may have missed. I would refer again, as I have on other occasions, to the oil fields in the Lloydminster district. There are two refineries there, and a new plant was built last year by the Sidney Roofing Company. There is a great amount of bunker C fuel oil going out of these fields in the Lloydminster area, as well as a large amount of asphalt.

Not only should we look upon this as a defence highway, but I believe it would pay dividends by the future development of the northwestern part of this country, commercially. As I said before, this is the real link. No chain is stronger than its weakest link, and I believe this link would strengthen our defences, as well as bolster the economy between Winnipeg and the vast area around and northwest of Edmonton.

Mr. Fair: Mr. Chairman, I am interested in this matter. Only a couple of weeks ago when the estimates of the minister in charge of federal highways were before the committee, I made reference to it. At that time I brought the Yellowhead pass route to the attention of the minister, pointing out that it would be important as a defence project, and asked him to bring it to the attention of the Minister of National Defence.

I hope the Minister of National Defence will realize that all defence projects are not necessarily located in this part of the country. This is a big country, and a potential enemy might use roads farther west. The project mentioned by the hon. members for Lake Centre, Edmonton East and The Battlefords would take care of a problem out there. I wish to associate myself with the remarks of those hon. members.

Mr. Diefenbaker: Mr. Chairman, I have one further reference to make. Apparently the minister has put a complete damper on the possibility of consideration of this matter. Let me point out to him that in the winter of 1950 the chief of the Canadian general staff pointed out, as it is reported, that the Jasper highway and its continuation through the Yellowhead pass to the Pacific coast is of high importance, to quote his words, "to the defence of Canada and the marshalling of military forces for the Pacific". The attitude taken by those who apparently know what the necessities are is that the chief of general staff was stating but the simple truth when he referred to the need of this highway as a strategic military highway. That fact has been accentuated by the development I tried to point out.

When the hon. member for The Battlefords suggested that I had neglected to refer to the oil fields at Lloydminster, perhaps he had not noted that my reference was not to the oil fields of any particular province. I realize that the development at Lloydminster was the first in the northern Saskatchewan or northern Alberta area. It was of course included when I stated that, while only a small portion had as yet been surveyed, the potential oil supply was little less than that of the United States. The information is that at the present time the potential oil supply is about 20 billion barrels, as compared with a potential still existent in the United States of 27 billion barrels. Certainly I had Lloydminster in mind, though I did not specifically mention it. My reference was to oil developments generally.

While the minister has spoken as if this were a provincial matter, my personal belief is that it is a development necessary for our defence. If we are going to develop the northern parts of Saskatchewan, Alberta, Manitoba and British Columbia, then in the absence of an adequate military highway we would find ourselves in a serious situation if —and God forbid—we should ever find ourselves in a war. Certainly in the light of the vast potentialities and developments in that area, there is no comparison between the requests and demands for this highway as compared with the demands for highways in other parts of this country where the development does not serve the potentialities now apparent in those four provinces.

Mr. Low: Mr. Chairman, I think we must revise our thinking on this whole matter to make it include the provision of military highways, or a network of highways to serve the forces for purposes of defence, just as we now think of them in terms of serving our civilian needs. The United States has not left the whole matter of strategic highways to the states of that great country. They recognized long ago the necessity for integrating their highway system with their defence problem. In that country the federal government has proceeded not only to build a number of trans-United States highways, but they have gone further and have contributed substantially to a network of secondary highways within the states.

It looks to me as though many of our defence preparations would be rendered useless, or at least greatly minimized in their effectiveness, if we do not have ways of transporting overland some of the equipment that would be required at given places and times. What has been said by hon. members this afternoon ought to be borne in on the consciousness of those in the federal government who are concerned with the defence of the country.

If there is any doubt as to where responsibility lies, then it would seem to me to be wise for the federal authorities to confer with provincial authorities in an attempt to integrate the highways for defence requirements. I believe the hon. member for Lake Centre and others who have spoken this afternoon have made a strong point, and I support them in it.

Mr. Pearkes: Mr. Chairman, while we are on the subject of roads, I would suggest that the Department of National Defence should confer with the department responsible for the trans-Canada highway with respect to the routing of that highway as it approaches Victoria. I think the Department of National Defence would be vitally interested in the route, as they have many establishments to the west of Victoria and the bottleneck which will exist in the vicinity of Parson's bridge might cause some concern. I suggest that before the government decides to assist the province to that extent the department should confer with the Department of Resources and Development.

Mr. Claxton: I shall be glad to look into that. When the trans-Canada highway was up for consideration I asked the chiefs of staff to advise me if there were any particular places where we should make representations that the routing of the highway might be more desirable from the defence point of view. Representations were made in connection with another location, but the province did not accept the view we put forth. While it will not make a terrific difference in our national defence it would have been preferable the other way.

The situation at Victoria is a local condition which I shall see is looked into. I know there are others, and I do not want to exclude from consideration at this time anything in which hon. members are interested. As I have said before, communications and transportation or anything that is useful in connection with defence will receive consideration.

Mr. Ferrie: The trans-Canada highway is far from being substantial enough to stand the wear and tear of military movements. The provinces could not afford to build a highway of that calibre. What we are asking for in western Canada is a highway for the protection of those provinces. We are not asking for a highway for tourist traffic or anything like that; we are asking for a highway which will give us protection in case of invasion from the north. It would be absolutely impossible to move an army with its heavy guns over this highway in the summertime. They just could not be moved through the western provinces. We feel that this highway should be built through the defence organization for the protection of the three western provinces.

The Deputy Chairman: Shall we pass on to the air force?

Mr. Harkness: I do not think the next item is air force; it is reserve army. Before we pass on may I ask the minister for an explanation of the item at the bottom of page 300, travelling and removal expenses, $12,100,000 as compared with $7,510,000 last year, and freight, express and cartage, $11,400,000 as compared with $5 million. In view of the fact that the brigade was moved to Europe last year and the additional fact that the other brigade was moved back and forth to Korea I cannot quite understand why there should be these large increases in the travelling and freight items.

Mr. Claxton: It is largely due to the increase in military strength and the amount of transportation that will be needed to replace the brigade in Korea and to provide for rotation in Europe. There will be a steady movement in the build-up of the air force in Europe during the year. The increase in the size of our forces during the year was some 30,000. There is an item for posting, $1,191,115; on cessation of service, transportation for a larger number of officers and men, $965,715; on intake planned throughout the year, $602,205. Then there is reinforcement and rotation in connection with the Far Eastern theatre, $2,058,365; by ocean, $990,870; disembarkation leave, $615,120; embarkation leave, $1,674,655. For the 27th Canadian infantry brigade there is an item for leave, $449,495; rail in Europe, $451,795; rail to units in Canada, $481,535.

It can be said that the increase was due partly to the increase in the size of the armed forces and partly to the fact that we have a brigade group in Europe and another in Korea on opposite sides of the world twelve thousand miles from each other.

I should add that while the estimate for last year totalled $7,510,000 it was found necessary to spend $12,808,870 because at the time the estimates were prepared it was anticipated

that we would just have a battalion in Korea, instead of which a brigade group became necessary.

Mr. Harkness: I think the latter explanation is the one that will satisfy me. I could not understand, when the army had increased by less than one-third, why these expenses should be more than doubled.

What the minister said about the air division being built up in Europe would have no effect upon these figures because that would come under air. As far as I can see these figures relate entirely to army. I understand now that the estimate last year was less than was required, the amount spent being close to the figure for this year.

The Deputy Chairman: Shall we pass on to air force?

Mr. Harkness: The reserve force is the next item.

The Deputy Chairman: When I took the chair I understood that the hon. member for Lake Centre was discussing the northwest highway system, to be found on page 302.

Mr. Harkness: No, he was not; we were dealing with army items.

The Deputy Chairman: Have we disposed of "Canadian army active force and general"?

Mr. Harkness: Yes.

The Deputy Chairman: Then shall I call "reserve force, including Canadian officers training corps"?

Mr. Catherwood: Before you do that, Mr. Chairman, I should like to say to the Minister of National Defence that while we do not always approve of some of the expenditures made by his department, so far as the army military vehicle depot at Hagersville, Ontario, is concerned it has been my privilege to visit that establishment on a number of occasions and I think it is operated in a very efficient manner. I should like to ask the minister to visit that vehicle depot some time in order that he may see for himself how well conducted that branch of the department is.

Mr. Claxton: Thank you very much. It is one of the few defence establishments I have not visited.

Reserve force, including Canadian officers training corps.

Mr. Harkness: On page 7 of the white paper recently tabled in the house there is a reference to the reserve army reading as follows:

The reserve army strength has increased by over 13,000 since March, 1948, to a present total of approximately 47,000. Despite the fact that 5,000 members of the reserve army joined the active force in 1951 . . .

I think that statement is likely to create something of a wrong impression because it happens that 1948 was the year in which the strength of the reserve forces, including the army, was at the lowest level that has ever existed. If one looks at the report of the Department of National Defence for the fiscal year ending March 31, 1950 one sees that on page 88 the strength of the reserve and active forces is listed. The strength of the reserve army in 1925-26 was 49,000 and by 1927-28 it had risen to 52,000. From then up to 1935-36 the strength remained in the 50,000's. In 1935-36 there were only 45,000, and just before the war the figure rose to 51,000. During the war of course their number greatly increased, so we will have to leave that out of consideration. In 1945-46, however, the figure was 56,000, in 1946-47 it was 37,000 and in 1947-48 it was 33,591. Then the figure rose until in 1949-50 it was 43,047.

I mention that because I think as the sentence in the white paper stands now it gives a wrong impression as to the way in which the strength of the reserve forces has increased. It gives the general impression that the increase in numbers has been extraordinarily good. I think one of the weaknesses in our entire set-up is the relative weakness of our reserve forces. It has been my opinion ever since I have been a member of the house that not enough attention has been paid to our reserve forces and particularly to increasing their strength so the units will have enough men with whom to carry on adequate training. I do not propose to take up the time of the committee now to go into the various ways in which that might be done, but I should like to urge the minister to use more energetic means than have been used so far to attract recruits into our reserve forces, not only the army which we are discussing at the moment but also the other two services.

Mr. Green: Would the minister give the committee an explanation of the present position with regard to that force which was to be known as the Canadian Rangers? As he knows, during the second world war a force was established in British Columbia known as the Pacific Coast Militia Rangers which did excellent work. The units were located in the rural areas of the province where there were no reserve force formations, and I think at one time over 10,000 belonged to the rangers. Their esprit de corps could not have been higher. Most of the members of the force were not of an age to be in the active forces. They were mostly men who understood getting around in the rural areas of the province, and they did a grand job. I do not think the minister will question that fact.

Some years ago it was indicated that this force was to be reconstituted, but very little progress seems to have been made. In fact I am wondering whether the idea has been abandoned. If that is the case I think it is a great mistake, because many of these men who did such good work during the war are prepared to carry on. There are functions for them to fulfil. For example, some of their functions were to assist in repelling any invader, to assist in anti-sabotage precautions, to assist the active forces in the isolated areas of the province, to do coast watching and to report any unusual occurrence. I believe that the numbers allowed for these formations are so small that it is going to be extremely difficult, if not impossible, to establish the units again.

I hope the minister can assure us that the intention is to drive ahead with this plan. There were to be units not only in British Columbia but also in the Northwest Territories and possibly in the Yukon. I believe there is a great work to be done. One aspect of the matter is that these units had a great influence on the young men in the districts. They got young men to join the active forces. They built up morale throughout the districts where the units functioned. Will the minister tell us the present situation with respect to this force?

Mr. Claxton: The force was reconstituted some four years ago under the name Canadian Rangers as an element in the reserve militia, and organization has been pressed forward. It was never the intention to secure a large number of men in any one locality. The object was to cover as far as possible every isolated part of Canada, and there are units in virtually every community in the more isolated sections of the country. I have seen maps showing where they are located, and I would be glad to have one shown to the hon. member from which he would see that there is very wide coverage not only of the coast of British Columbia, and to a lesser degree the Atlantic coast, but also the Yukon, the sub-Arctic, the Arctic and other localities where there are no other forms of organized police or military formations. Our object has not been to build up large units. We thought if that were done the men would get browned off and the effort of organization and maintaining interest would far outweigh the usefulness of the results obtained. On the other hand the object was to secure an organization of key personnel, and I believe that has been done.

Mr. Green: How many have been enrolled in the Canadian Rangers?

Mr. Claxton: I have not the figure. The establishment was set at some forty or fifty companies but no particular strength was set for each company. I will get the figure of enrolments for the hon. member.

Mr. Green: I am afraid the minister's approach is not the right one, because where there are just a handful of members in a community you cannot maintain interest. I have seen these maps too, and companies are shown as covering areas hundreds of square miles in extent. It might take a man a week to get from one end of the company area to the other—certainly that is true in British Columbia—and the idea of simply having a total of ten or twenty in a unit in an area of that kind means that the men never get together and there can be no efficient organization whatever. I believe many of the men who rendered such good service in the Rangers during the war are thoroughly discouraged about the picture, and it would be far wiser to set up a unit in a place where there could be enough men to keep up the interest. I hope the minister will look over this whole picture again to see whether some such plan can be worked out.

The Deputy Chairman: Shall reserve force carry?

Some hon. Members: Carried.

Royal Canadian air force—regular and general.

Mr. Harkness: Mr. Chairman, I would like to ask the minister what the policy is in regard to promotions within the R.C.A.F. So he may know what I am getting at perhaps I had better give the background for this question. My understanding is that approximately 400 officers in the R.C.A.F. were promoted effective the 1st January, 1952, and a further 324 were promoted on the 1st June, 1952, making a total during the past year of 725 or thereabouts. I further understand that there are about 125 officers in the R.C.A.F. on the administrative staff who are known as administrative officers. Amongst the 725 promotions that took place there were none for administrative officers of the rank of flight lieutenant and above. In other words there was no promotion to any senior rank during this period for administrative officers. There were approximately 40 flight lieutenants and 25 squadron leaders who had long service but who were passed over for promotion.

I am led to believe that the result of this is that the feeling has become rather widespread amongst administrative officers in the R.C.A.F. that there is no future in that branch of service. I do not think the effect on morale needs any explanation. Officers serving in a branch who think they are going to receive no promotion or very little promotion naturally become disgruntled. I would

think that if a policy of that kind is to be followed, and according to my information that seems to be the case, it would have a very bad effect on the administrative branch of the R.C.A.F. I would like the minister to tell us what is the general policy of promotion within the R.C.A.F. and how a situation of this sort could come about.

Mr. Claxton: This is the first I have heard of it, but I will be glad to look into what the hon. member has said. R.C.A.F. officers are divided into general list officers and administrative officers. Promotions take place in each section according to a scale that has been established, and they are very similar to divisions. It may be that at the time to which the hon. member refers there were no vacancies in the administrative list or that there was greater expansion in the work being done by the part of the R.C.A.F. that had to do with the general list. That might explain the discrepancy to which he refers, but I will be glad to look into it.

Mr. Harkness: I would like to say further that my understanding is that there were appointments made to senior administrative posts during this period, but they were not given to officers who were in the administrative branch. These appointments to the senior administrative jobs were given to officers from other branches.

Mr. Claxton: That is not my information, but I will be glad to look into that too.

Mr. Dinsdale: There are just three things I would like to deal with briefly, if I may bring them up while I am on my feet now.

The first has to do with the question of fighter armament. I have been pursuing that question for some time and all I want to say at the moment is that I thank the minister for the information he has provided in this regard. I had the opportunity of discussing the matter personally with the armament officer, and I am now more or less fully satisfied concerning the present course of action.

The second item I refer to appears on page 302 and is concerned with the possibility of expansion of the air force training scheme. There is a slight increase in the estimate for this year, and I am wondering if it has any connection with information that has been published in air magazines of good standing to the effect that enlargement of training activities is being contemplated, which could possibly mean a further expansion of airport facilities over those already under development. I would appreciate having a statement in that connection.

On my final point I perhaps should wait until we come to the reserve force, as it concerns that force.

The Deputy Chairman: Yes.

Mr. Claxton: Mr. Chairman, with regard to the question of armament I appreciate what the hon. member has said. Just recently I have received some additional information which I will be glad to pass on to him privately.

With regard to the expansion of the air training scheme, we have no present intention of increasing facilities for air training by adding to the number of airfields. At present some twenty airfields or training establishments are engaged in training under the present air training plan, and they are just about working at their fully planned rates. It will interest hon. members to learn that we are training more men per station than we did during the war, through a more efficient use of both aircraft and training facilities.

What we propose to do is increase the intake just as much as we can with the existing facilities. I have told both the North Atlantic nations and the United Kingdom authorities that if we can train more aircrew for them and if they have more applicants, we will be glad to do so. The main reason for an increase in the expenditure on this account, however, is that we are beginning to approach the peak of the operation.

Mr. Pearkes: During the past twelve months the recruiting for the women's division of the R.C.A.F. has been opened up. I want to raise a question with regard to the discipline of that force, and I refer particularly to the attitude of the service towards the women in it. I think I can best illustrate my point if I refer to a detailed case, but I would prefer to do so without mentioning the name of the party concerned.

A young lady who was brought up in a Victoria home recently joined the women's division of the R.C.A.F. She was posted to Aylmer, and during her service had written continually to her relatives in Victoria. Suddenly, on April 10, those letters ceased to reach the relatives. After a long period during which their own letters were not replied to and telegrams were not answered, they became very concerned about the whereabouts of this young lady. They therefore communicated with the chaplain on the station at Aylmer, Ontario and on May 17—please note the date, May 17—they received word that this young woman was absent without leave.

In the letter from the commanding officer he advised the relatives that the security police had been notified, and then he went on to use these words:

No further action was taken at this point, as it would be a waste of the taxpayers' money.

Then he went on:

> The practice of personnel absenting themselves without leave is not unusual in the service, and not too much weight is placed upon these actions.

I hardly like to put on record the words which were used by the relatives of this young woman, after suffering terrible distress during this period of her absence and then being told that further action would be a waste of the taxpayers' money. It certainly caused them terrible heartburnings, because no matter what value the R.C.A.F. might place on this young woman, her relatives' affection for her certainly could not be assessed in dollars and cents. I quote from the letter from the relatives:

> This young woman must be found no matter what the cost may be to the taxpayers. We have paid taxes for more than thirty years, and we demand this protection and consideration. In any case, whatever of suffering or misfortune has overtaken her, we hold the R.C.A.F. responsible. We feel that they have been guilty of gross neglect and brutal indifference regarding the welfare of our dear girl who was placed under their authority.

Personally I can think of no statements which could be made by a commanding officer which would show less consideration or be more brutal than to tell the relatives no further action was being taken because it was a waste of taxpayers' money. I know that is an isolated case; but I do think that, at a time when we are just taking women into the services, if the attitude expressed by that commanding officer is also the policy of the department or the general attitude of the R.C.A.F., then there must be a change in that attitude if the women's division is to attract the right sort of young women. While it may quite possibly be the attitude of some of the services in so far as a man is concerned who goes absent without leave or becomes a deserter, that is good riddance to bad rubbish, that attitude must not exist so far as the women in our services are concerned.

I feel that if a real effort had been made to locate this young woman, who to date has not been located in spite of inquiries I have made personally through the various police forces, surely the first people to communicate with would have been her next of kin. I do feel there may have to be a somewhat different attitude adopted, so far as the women's services are concerned, to that which is normally adopted with regard to a man. A man may go absent without leave and there is probably every justification for not notifying the parents or the next of kin about him; but where a young woman is in the service I cannot help feeling that a different attitude must be adopted. The first action to be taken should be to notify the next of kin that a girl is either absent without leave or cannot be accounted for.

There is just one paragraph in the letter from these people which I think describes the mental anguish that they are suffering. It reads as follows:

> Naturally, we fear that some dire calamity has overtaken our girl. She may be in dire need, and any number of dreadful things may have happened to her. This long silence from one who has always been so kind and considerate is very hard to bear and impossible to understand.

I am quite certain the minister will appreciate the anxiety of these people in this case. I am not raising any point about the particular case. I am simply saying that at this time when we are taking women into the services there should be a careful review of the attitude of the services towards the women for whom the senior officers are, in some measure, responsible.

Mr. Claxton: I must say I should think the normal procedure in a case of this kind would be for the unit concerned to get in touch with the home without any delay at all.

Mr. Pearkes: It was not done.

Mr. Claxton: Apparently it was not done. I know the hon. member will not mind my looking further into the case when he gives me the name privately afterward. I shall be glad to go right to the bottom of it.

Mr. Pearkes: The minister will recall that I have already given him the name. I did so when I spoke to him about it some three weeks ago.

Mr. Claxton: The letter is certainly most unfortunately worded, when the officer refers to the waste of taxpayers' money. Undoubtedly he was thinking in terms of steps to apprehend the person who was absent without leave. In that respect he was taking the ordinary military attitude, no doubt. I will be glad to look into the case and to follow it up. I might add that I have a close relative now engaged in the university training plan of the R.C.A.F. at London, and reports are that the treatment there is excellent in every way.

Mr. Harkness: I want to ask the minister something about the radar system which he speaks about at page 3 of the white paper, in which it is stated:

> . . . a number of the stations in Canada which are of primary usefulness in the defence of the United States will be manned by U.S.A.F. personnel, beginning this summer.

I should like to ask the minister if those stations are now manned by United States air force personnel and, if it is not undesirable to give the information for security reasons, how many of these stations the

United States air force personnel are manning. Then in paragraph 7 at the top of page 4 we find this:

> In addition, the organization for a ground observer corps is being prepared. Its function will be to provide a body of civilian aircraft spotters and observers to plot and report low flying aircraft over Canadian territory.

This language "the organization . . . is being prepared" is a little ambiguous. I should like to ask the minister when it is anticipated that this organization will be in effect and there actually will be a spotter organization in existence.

One of the reasons I bring this matter up is that on the front page of the Montreal *Gazette* of June 17 there was a headline as follows: "United States orders 24 hours a day sky watch to guard borders against air raid." Following underneath that we find this: "Spotter system goes in force on July 14." Apparently in the United States they are sufficiently alarmed over the possibility of a raid that they are going to put this spotter system into effect in just about two weeks' time. It seems to me that under these circumstances possibly we are rather late in getting an organization of this sort built up.

These questions I have asked are all really in connection with what you might call warning against air raids. The radar stations and these spotters are for the same purpose or are complementary to one another. That is why I asked the questions together. Probably the minister could give one answer to these three or four questions I have asked.

Mr. Claxton: With regard to the radar stations, the manning is beginning. The commanding officers of the stations are beginning to take up residence, and some men have arrived. The operation is therefore beginning and will be carried on during the summer.

With regard to the ground observer corps, this has recruited about 35,000 personnel. Filter centres are being set up at a number of points which may later be increased. Detachments of regular force personnel are being located at these points to provide a permanent nucleus and to organize and activate the corps in their respective areas. All the top civilian positions have been filled with volunteers. Despite the fact that no national call for volunteers to serve as spotters has yet been made, applications have been received from enough persons to fill about 65 per cent of the positions required at the outset which will number about 75,000. Consideration will be given to the timing and the extent of further expansion.

The main purpose of this corps, as the hon. member knows, is to supplement the R.C.A.F.'s early warning chain by reporting low flying aircraft seen or heard and aircraft in distress. The organization and the control of the corps is the responsibility of R.C.A.F. air defence command which also controls the early warning system. The air defence command is working closely with the other armed forces, R.C.A.F. association, air cadet league and civil defence officials in setting up the corps.

There has also been good co-operation from the provinces and organizations that employ people like fire rangers and the like. Reports from the observer posts which are to be set up would be funnelled in by telephone, telegraph and radio, which would pass on the information to the proper R.C.A.F. authority. This corps is to be organized so that in the event of an emergency it could provide a 24 hour service. But its peacetime activities will be limited to training exercises involving R.C.A.F. aircraft.

This is quite an experiment in a country having the low density of population that Canada has and we are proceeding step by step with the experiment. As the hon. member sees, it is being brought along.

Mr. Harkness: From what the minister said I do not gather that what you might call the preliminary part of this would actually be in existence. Possibly I missed it in the answer of considerable length which he gave. Can he tell us how soon any of this spotter system will be in operation? Might I also point out to the minister that he did not say anything with regard to my question as to how many of the radar stations are to be manned by the United States air force.

Mr. Claxton: As to the number of radar stations, that is information which I do not think it is in the public interest to give. As to the coming into effect of this organization, it is beginning. It has begun. We have a number of premises already belonging to either the Department of National Defence or other government departments and we are leasing a number of others. Equipment will be installed. Arrangements have been made with the Bell Telephone Company for communication, and all that work is proceeding. It is therefore a matter of weeks or a very few months before this system will be in effect.

Mr. Harkness: May I ask the minister whether this spotter system or ground observer corps is being organized entirely by the R.C.A.F. or whether there is a civilian organization of any sort involved.

Mr. Claxton: It is organized by the R.C.A.F. but using civilians both as leaders and spotters.

Mr. Harkness: As personnel?

Mr. Claxton: That is right.

The Deputy Chairman: Shall the first heading carry?

Some hon. Members: Carried.

Royal Canadian Air Force (Reserve).

Mr. Dinsdale: I am glad to see there is the intention of expanding the use of reserve personnel. In view of the fact that most of our active squadrons are going overseas, I conclude that it is the intention of the department to depend upon auxiliary squadrons to provide the backbone of our home defence. That is, of course, surmise on my part, but it seems to me to be a logical conclusion. Perhaps the minister could make some statement in that regard.

The second division of reserve activity is the Chipmunk training scheme. I understand there is some expansion in the Chipmunk scheme, which operates in connection with flying club organizations. I have had a personal interest in these particular reserve activities, because our flying club in Brandon has been endeavouring to come under the provisions of the scheme. Upon making inquiry I discovered that the reserve potential available in Brandon was insufficient for the inauguration of the Chipmunk plan at the Brandon Flying Club.

Since that time, through the facilities of the air force recruiting depot in Brandon, we have gathered together something like 36 or 38 names, and this information has been submitted to the proper authorities. I believe five additional units are being established, and I am wondering whether the Brandon Flying Club is going to have the opportunity to make use of the air force potential living in the western Manitoba area for participation in this scheme.

Finally, last summer a program was inaugurated which I believe will play an important role in making use of the rich resources of reserve personnel. I refer to the mobilization training scheme, whereby a double banking system will operate. There will be a reserve officer for every active force officer. I understand this program is being continued this year, and its activities enlarged.

I have only one question to ask concerning the scheme. Originally it was restricted to a ten-day period of service. I am wondering if it is the intention to make the period of service flexible according to the ability of the reserve personnel to serve. Further, there is the difficulty of uniforms for reserve personnel serving in this capacity. For some reason or another, since the war either their old uniforms have shrunk or the personnel have stretched. To equip themselves for this period of service would require an expenditure far beyond the limitations of the temporary pay provided.

Mr. Claxton: First of all, with regard to the use of the reserve formations in providing personnel to operate radar stations, the hon. member is quite correct in what he says. The organization of these reserve formations is proceeding satisfactorily. A considerable number have been added during the last year.

The Chipmunk training scheme was considered by the Royal Flying Club at their annual meeting held here recently, and a recommendation was made by them for the extension of the scheme to several additional communities. I understand this is being considered by the R.C.A.F. and by the Royal Flying Club with a view to making more effective use of the facilities they have so as to bring more communities into the plan. That work is being pressed on.

With respect to the length of training a man may take in a reserve unit, I am informed that in addition to the regular period of ten days there are a number of other possibilities, so that a man who is exceptionally keen or who has special requirements can usually find something which will enable him to take a further period of training.

I have not heard before about the need for the replacement of uniforms, but I shall be glad to look into the matter.

Royal Canadian Air Force—search and rescue.

Mr. Catherwood: I should like to ask the minister whether the search for the well-known hockey player Bill Barilko and his companion Dr. Hudson, who disappeared on a routine flight in the James bay area, has been abandoned. Has the department any estimate of the total expenditure involved in the search for these two men? Has the department given consideration to supervision or control of these flights, particularly in remote sections of Canada?

Mr. Claxton: The last matter is one for the Department of Transport and the air transport board, rather than for the R.C.A.F. I believe control is exercised through the licensing of aircraft and pilots. However, for further and more detailed information my hon. friend would have to go to the Department of Transport.

The R.C.A.F. co-ordinates search and rescue operations for all government and civilian services. I shall be glad to look into the particular case he mentioned, and give him full particulars at once.

Contributions towards the military costs of NATO.

Mr. Pearkes: Are any contributions contemplated in addition to those announced now? I presume there are not.

Mr. Claxton: There are not at the present time. The contribution to be made out of this vote covers what is called the third slice of infrastructure or, as was reported to the house before, the hard core of the third slice of infrastructure. But there will be a fourth slice, and we will be expected to contribute to that on about the same basis as to the previous ones.

Perhaps at this point I should answer one or two points raised by the hon. member in his opening remarks concerning airfields in Europe. As reported at page 3646 of *Hansard* he said that the danger of the lack of airfields was brought to my attention many months ago by the leader of the opposition who, at the last session of this parliament, called attention to the lack of technical troops in Europe and advocated the provision of engineer units which would assist in the construction of these necessary airfields in France and Germany.

The leader of the opposition did make that suggestion; but I do not think he referred to the danger of our not having airfields. In fact, as I remember the discussion, his observations were almost surprise at my having stated that we would need airfields in Germany.

I would point out that engineers, and particularly service engineers, are the class of men of which perhaps we are in shortest supply in Canada. We have an acute shortage of service engineers in this country. There is no shortage in Europe of civilian tradesmen, including construction engineers and the like. So it would be most uneconomical and wasteful for us to send engineers from Canada to do this job in Europe, particularly as I believe a rather moderate estimate would be that a Canadian would cost about five times as much per day to do the same amount of work as a European. It would be somewhere between five and ten, I would think.

With regard to airfields, our difficulty is to get the North Atlantic Treaty Organization through SHAPE to allocate to us airfields which it would be possible for us to use. That allocation has been made in respect of two airfields in France and two in Germany, but the location of only one, in France, has been formally settled. Arrangements have been made with the French government to handle the construction of that airfield, as was announced in the house some time ago. I understand that these arrangements are capable of being extended to other similar developments in France. In this I think we are a bit ahead of some other countries which have not yet made any arrangements whatever.

The arrangement is quite satisfactory. Under its terms the French government are calling for tenders for the construction of the necessary works at the airfield near Metz. The contractors are taking a good interest, and the matter is being handled in a businesslike fashion. When tenders are received they will be considered by representatives of the French government, of the Department of Defence Production and of the R.C.A.F. working together. The Department of Defence Production and the R.C.A.F. will be represented at all stages and will exercise the closest possible supervision over the awarding of contracts and the execution of the work.

The situation in Germany is still unsettled. As hon. members know, the state of occupation is being brought to an end and in consequence the operation of the occupation agreement. This is not the best time at which to negotiate either with the British, French and United States authorities or the German government. However, these negotiations are going on steadily and I expect will reach a satisfactory conclusion. The delays for which we were not responsible have postponed the construction and use of these air stations by several months.

Mr. Pearkes: The minister will appreciate that our suggestions have been made with the idea of assisting him to expend money as economically as possible. There is one matter which I think would come under this heading. We have a staff at SHAPE and in various other countries connected with the North Atlantic Treaty Organization. Is it necessary for us to continue to maintain a fairly large number of military and naval attachés in the various countries of Europe? Surely all the information regarding the European forces which would be co-operating with Canadians would be available through the various national headquarters connected with SHAPE. I do not want the minister to give a definite answer at this moment, but I do suggest that this matter might be investigated.

Mr. Claxton: I have asked the chiefs of staff to discuss with me the allocation of military attachés at all posts so we can make absolutely certain that the expenditure in any given locality is warranted.

Item agreed to.

Special—

249. To authorize and provide for additional expenditures under the provisions of section 3 of the Defence Appropriation Act, 1950, and supplementary

contributions towards the military costs of the North Atlantic Treaty Organization, in the amount of $324,000,000 and commitments against future years in the amount of $32,550,000, $324,000,000.

Mr. Pearkes: I do not think we can allow this item of $324 million to pass without some general explanation.

Mr. Claxton: The 1952-53 program includes —perhaps I should not give the details— radar mark IV; 155 mm. howitzers; walkie-talkies; F-86 airframes—those are for Britain.

Mr. Pearkes: All these are for other countries?

Mr. Claxton: Yes; also aircrew training, as well as contributions to NATO over and above capacity to pay basis. That is a total of $191 million, of which $47,700,000 is for aircrew training. Then in addition we are going to continue transferring stocks of United Kingdom pattern equipment, $64,979,000. We have additional present pattern equipment of the navy and R.C.A.F. to a value of about $15,-300,000 which we are offering to various NATO countries. Then in addition we are considering the question of making available a quantity of bombs, shells, rocket launchers, depth charges, projectiles, cartridges and possibly some new minesweepers. These will bring the total to $324 million.

In so far as new equipment is concerned, we are offering to NATO the things we need ourselves in considerable quantity so we will have the advantage of an economic run. With regard to old-type equipment, we are offering things we think we should replace and which we can replace.

Item agreed to.

General services—

250. Grants to military associations, institutes and others, as detailed in the estimates, $227,325.

Mr. Pearkes: A total of $82,925 is to be spent on rifle associations, of which $60,000, which is a considerable sum, is for the Dominion of Canada Rifle Association. I appreciate that it is nice to encourage this form of military sport and to send a team to take part in the matches at Bisley, but I wonder if in this time of changing conditions in the services, changes in armament and so on, we are justified in expending so much of the taxpayers' money in this direction?

Mr. Claxton: I think the hon. member knows that the character of the Dominion of Canada Rifle Association has changed considerably since the second world war. Now all firing is done with service rifles and service personnel are participating to a much greater extent than before. It is quite interesting to see members of the navy and air force taking part in the competitions. I think it is fair to say that these competitions have been most successful, especially with regard to the attendance of participants. It is regarded by all three services as being a desirable thing to encourage and consequently it is felt that this grant is justified.

Item agreed to.

Mr. Claxton: Mr. Chairman, I wonder if I might have the permission of the committee and, if required, of the house to follow a practice followed during the war. I should like to table and ask permission to print as an appendix to *Hansard* the list of orders, decorations and medals awarded officers and men of the Canadian forces for gallantry or outstanding service in the Far East.

Some hon. Members: Agreed.

(For list of awards, see appendix, pages 3741-51.)

DEPARTMENT OF VETERANS AFFAIRS

527. Departmental administration, $2,217,425.

Mr. Brooks: Mr. Chairman, it is not my intention to make any extended remarks at this time on this item. We have had a veterans affairs committee and we have discussed there matters having to do with the affairs of veterans. The main problem that has concerned veterans for the past year or so has been the question of war veterans allowances. As hon. members well know, this subject was dealt with by the veterans affairs committee and by the house a day or two ago. Whether or not it was dealt with satisfactorily is a question for the veterans themselves across the country to determine. Some of us felt it had not been dealt with very satisfactorily but it is a matter of history now, and I have no intention of saying anything further in that connection.

With respect to the work of the department in general, I would think that by now it must of necessity consist of a more or less routine carrying out of the provisions of the veterans charter which has been in effect for the last five or six years. The veterans of the second world war no doubt are well rehabilitated by now. So far as student veterans at our universities are concerned, I believe the university courses taken by different ex-servicemen are now completed, and I do not think it is out of place to say that I am sure the people of Canada have been well pleased with the splendid record made by the young men who took part in the second world war and who have taken university courses. They have shown that they can more than hold their own with students from civilian walks of life.

Another big rehabilitation problem that has confronted the department and the government has to do with the Veterans Land Act, where the success of the government perhaps

has not been as great as in the case of education. I am not going to dwell on that point at the present time. In general I think the hospitalization of veterans has been very acceptable to the people and that the veterans themselves consider they have been well looked after. There is one problem that I think concerns us all and is of very great concern to veterans throughout the country. I refer to the matter of housing. It is not my intention to go into the question to any extent today realizing of course that perhaps it is only a problem of the veterans affairs department to a very small degree. However, I know the department is very much interested in it, particularly in view of the fact that 60 per cent of the people looking for houses in Canada today are veterans. It might interest hon. members to know that in Canada at the present time there is a shortage of some 700,000 housing units affecting an estimated two million people. This is a very serious situation indeed and one which is of great concern to veterans all across the country.

There are many reasons why the problem is not being solved more readily. One is the great shortage of building materials throughout the country. Another is the increase in the rate of interest for those who have to borrow in order to build homes, and the third is the scarcity of labour. I need not dwell on the necessity of houses. As I said a few moments ago it is a problem of which we are all aware and which we all understand. A house is the foundation of the home, and the home of course is the foundation of our society. In this connection I should like to read a paragraph from a report of the dominion housing committee of the Canadian Legion. The report is issued under the name of T. A. M. Hulse, chairman of the Legion housing committee, and in it there is the following:

> It is not an overstatement to point out that the moral basis of our system and our national security even, as well as health and welfare standards, could be influenced adversely by poor housing conditions. One of the leaders in social work study of the Toronto university has said: "Housing is the basic factor which underlies most of the problems which are faced by health and welfare organizations in this country. If we can do something about the housing problem we might actually do a great deal to reduce efforts dealing with problems of public and private welfare. Federal social security programs are now more significant than ever. These will continue to be frustrated in large measure by this basic underlying shortage."

As I said a moment ago, I do not think it is necessary to dwell on this very serious problem. I simply call it emphatically to the attention of the house, the people of the country and the different governments and departments of government throughout Canada. It is a most serious problem so far as veterans are concerned, and I hope something will be done to improve the situation in the coming year. There are other matters which might be discussed at this time, but we can discuss them as the items come up.

Mr. McIvor: I should like to say a brief word about the patience of the officials of the pensions and war veterans allowances branches. I have given them some pretty bad cases to handle, and I must say they have handled them with outstanding patience and with satisfaction to the veterans and their wives.

Item agreed to.

536. War veterans allowance board—administration, $178,347.

Mr. Knowles: There is one question I would like to ask the minister and if it has been answered in the last day or two he will understand that there have been a lot of committees sitting and we have not been able to keep in touch with everything that has been said in several places.

Would the minister say when the increases in war veterans' allowances authorized in the bill passed a day or two ago will reach the recipients? There are two aspects of this matter. One is: When will their current cheques be at the higher rate. The other is: When will they receive an adjustment cheque covering the retroactivity from January 1, 1952?

Mr. Lapointe: Mr. Chairman, my hon. friend will of course realize that the operation of changing from one rate to a higher rate is quite complicated, particularly when the increase is made retroactive. This particular increase also brings back under war veterans allowance people who were not covered from the 1st of January to date because of their income which barred them. Because of the complication of the operation it is not feasible for the cheques with the increase and the adjustment to be issued before August. The August cheque forwarded will contain the increase and the adjustment retroactive to January 1, 1952, which means that the July cheque will be at the former rate.

Mr. Knowles: In other words, the intention is to cover both points in the one cheque, the current increases and the retroactive adjustments?

Mr. Lapointe: In the one cheque.

Mr. Knowles: That will be the cheque the veteran receives at the end of August?

Mr. Lapointe: Yes.

Mr. Knowles: Can the minister say whether it is the hope of his officials that all cases will be covered by that August cheque?

Mr. Lapointe: It is expected that all cases will be covered by the August cheques.

The Deputy Chairman: Shall the item carry?

Item agreed to.

537. Veterans insurance, $97,024.

Mr. Brooks: I would like to ask a question here. I note that the expense for item 537 amounts to $97,024. I would like to ask the minister if any part of the premium paid for war veterans' insurance goes to pay expenses in connection with war veterans' insurance and, at the same time, I would like to ask what is the amount in the fund at the present time, how much was paid out this year, and also the number of policies in force.

Mr. Lapointe: The answer to the first question, Mr. Chairman, is that no expenses are taken from the premiums. The amount in the fund, the balance as at the 31st March, 1952, was $10,124,989.32.

Mr. Brooks: How much was paid out last year?

Mr. Lapointe: The amount paid out in 1951-52 was $531,947.66. There are 32,142* policies in force.

Mr. Brooks: I assume it would be the expectation of the department that as time goes on the yearly amount which must be paid out would be more than it is at present; that is, as the veterans become older?

Mr. Lapointe: Yes, but not for some time yet.

Mr. Brooks: The department is of course endeavouring to build up a large fund for that emergency later on?

Mr. Lapointe: The fund is under the control of the Department of Finance and is on an actuarial basis.

Item agreed to.

Pensions and other benefits—

538. Pensions for disability and death, including pensions granted under the authority of the civilian government employees (war) compensation order P.C. 45/8848 of 22nd November, 1944, which shall be subject to the Pension Act, $125,546,000.

Mr. Cardiff: I am not complaining, but I would like to ask the minister if he can explain the reason for the $26 million odd increase in this item.

Mr. Lapointe: The 33⅓ per cent increase which was made in the basic rate of pension in the fall of 1951.

Some hon. Members: Hear, hear.

Mr. Brooks: I would like to ask the minister a question with reference to world war I veterans. Is there a decrease each year, quite a large decrease, in the number of world war I veterans receiving pensions?

Mr. Lapointe: Yes. There is a small and steady decrease every year, just as there is at the same time a small and steady increase in world war II veterans.

Mr. Brooks: What would be the percentage?

Mr. Lapointe: Perhaps my hon. friend will get the information he wants from this answer. As of 31st March, 1951, there were 66,001 disability pensioners and 16,141 dependents; that is for world war I. On the 31st of March, 1952, there were 64,438 disability pensioners and 15,863 dependents. That is the normal decrease from year to year.

Item agreed to.

540. War veterans allowances, $22,505,000.

Mr. Brooks: In connection with this item, I notice it is practically the same as last year. This does not include the proposed increase in veterans allowances as passed by the house the other day?

Mr. Lapointe: No. There is a special vote of $5,850,000 in the supplementary estimates to cover those increases.

Mr. Knowles: May I ask one other question with respect to the results of the amendments to the War Veterans Allowance Act. In the case of a war veterans allowance recipient who was receiving the allowance prior to January 1, 1952, and who had his allowance completely withdrawn because of the subsequent receipt of old age security, will it be necessary for that former recipient of war veterans allowance to apply for reinstatement because of the increase in the allowance, or will that be dealt with automatically?

Mr. Lapointe: No, it will be dealt with automatically. Every one of these cases will be reviewed, and if the former recipient now qualifies he will receive his cheque automatically in August.

Mr. Gillis: I should like to ask the minister a question. When the recipient of war veterans allowance enters an institution and becomes a veterans care case he is now allowed $10 a month for comforts. Will the increase from $40 to $50 per month affect that $10 per month?

Mr. Lapointe: No, the amount of the comfort allowance bears no relationship to the payment of the war veterans allowance. It is

**See corrected figure on page 3720.*

based on the minimum price of the various articles which make up those comforts, cigarettes and so on.

Mr. Gillis: When he was receiving $40 a month and was taken into the institution, he received his care for $30 a month and $10 went to him.

Mr. Lapointe: Actually it is $7.

Mr. Gillis: That is worse. Now that the allowance has been increased to $50, is it the intention to still give him that $10 a month? If he were outside he would be entitled to an increase in the allowance, so you are really going to increase the cost of maintenance and care in the institution. I think he is entitled to that extra $10 a month.

Mr. Lapointe: This comfort allowance of $7 is payable to patients under class 5A, 5B and class 6 treatment. It has no relationship whatever to the war veterans allowance. These people are not necessarily under war veterans allowance.

Mr. Gillis: But many of them are.

Mr. Lapointe: Anyone who goes in for treatment under those classes is entitled to that $7.

Mr. Gillis: It very definitely has a relationship, Mr. Chairman. A person who is taken in under 5A or 5B, whichever it is, and who is in receipt of war veterans allowance while outside would be drawing $40 a month war veterans allowance. Then he enters an institution and the war veterans allowance is discontinued, but he is permitted to receive $7. The minister says that is for comforts. If that person were outside, or if he left the institution, he would go back on war veterans allowance. Under the new schedule he receives $50 per month, and this payment for comforts is definitely related to the war veterans allowance. I do not want to argue with the minister, but it has been a sore spot for some time. It is a small amount that is allowed the inmate of an institution for comforts and so forth. I would ask the minister to look at that angle to see if an adjustment cannot be made. I think the amount allowed is too small.

Item agreed to.

542. Unemployment assistance, $25,000.

Mr. Brooks: I wish to ask the minister the reason for the reduction to $25,000 in this item this year.

Mr. Lapointe: It is simply due to the fact that the demand on this fund has decreased considerably due to many of these people being able to qualify under war veterans allowance. It only applies to world war I veterans, who are mostly taken care of under other legislation.

Item agreed to.

543. Hospital and other allowances, $3,225,000.

Mr. Bater: With respect to war veterans who are receiving allowances on entering a hospital, is the amount of deduction while in hospital decided upon an individual basis or is there a flat rate right across the board?

Mr. Lapointe: It is, as a rule, considered on an individual basis, and the circumstances are looked into. In a case where a man has many dependents, that is taken into consideration.

Mr. Bryce: I should like to see if the minister can clear up a point for me. I received a return from him the other day showing that the ward maids in the Deer Lodge hospital were receiving $60 a month, while in other hospitals they were receiving $120 a month. There may be discrepancies due to wage rates and labour conditions in different parts of the country, but I do not think they should amount to $60. Can the minister explain how that is?

Mr. Lapointe: The rates paid to these particular employees are generally the prevailing rates in the locality, and are given to us by the Department of Labour following a survey by that department.

Mr. Bryce: I am going to appeal to the minister to review it. Surely, one woman in British Columbia is not worth $60 more than one woman in Winnipeg?

Mr. Cruickshank: Sure, she is.

Mr. Lapointe: I would not like to debate the point with the hon. member.

Mr. Bryce: I think it is an insult to the people of Winnipeg to offer them $60 when $120 is being paid in British Columbia. It is so late in the session that I cannot do anything about it, but I could not believe that it was true until I received the return from the minister. Since it is true, I think the minister should look into the matter right away and have something done about it.

Mr. Cruickshank: Have them all moved to British Columbia.

Mr. Bryce: I think you are going to have an awful lot on your hands in British Columbia, so you had better keep quiet.

I should like to ask the minister another question about the chauffeurs, the fellows who drive the ambulances. Recently, they received an increase of $8. Now, was that $8 a raise in wages or was it in lieu of not getting any uniforms?

Mr. Lapointe: I am informed it was a straight salary increase.

Mr. Bryce: What about the uniforms? They do not get any clothes now, so they should be entitled to a raise in their wages.

Mr. Lapointe: I will look into this matter. I am afraid I am not too familiar as to what clothes a chauffeur wears when he drives an ambulance. I shall be glad to look into the matter.

Mr. Bryce: As long as I have the assurance from the minister that he will look into the matter and straighten it out, I am satisfied. I am not going to say anything more about it. In any event the minister must agree with me that Winnipeg will not sit down and take that sort of treatment.

Mr. Mutch: The hon. member who has just been speaking knows very well that both these questions have been under review at Winnipeg as well as here for the past two months, in conjunction with the Department of Labour. A decision has not been given, but it will be given in due course.

Mr. Bryce: I thank the parliamentary assistant. I know he told me that it was being reviewed, but so long a time has been taken in reviewing the matter that the men can go hungry.

Mr. Mutch: I can explain anything but that.

Item agreed to.

Soldier Settlement and Veterans Land Act—

548. To provide for the cost of administration of Veterans Land Act; soldier settlement and British family settlement, $4,780,354.

Mr. Quelch: I should like to ask the minister how many veterans of world war II had to give up their farms for one reason or another, and how many veterans of world war II are in arrears of payment under the Veterans Land Act.

Mr. Lapointe: I am afraid I have not the figures just at hand. I wonder if the question might be allowed to stand for the moment; I will give him an answer at eight o'clock.

Mr. Quelch: That will be fine.

Mr. Brooks: With regard to British family settlement, how many families come under this item? I might also ask why British family settlement is under the Veterans Land Act or under the veterans affairs department.

Mr. Mutch: It was under the soldier settlement.

Mr. Lapointe: It was under the old soldier settlement board.

[Mr. Bryce.]

Mr. Brooks: That does not explain why it was under the soldier settlement board.

Mr. Lapointe: As of March 31, 1952, there were still outstanding 389 veterans and 413 civilians settled under this particular scheme.

Mr. Brooks: Why did it come under the soldier settlement board?

Mr. Lapointe: Right from the start of the scheme it was administered by the director of soldier settlement.

Mr. Brooks: That is not the British settlement scheme in the province of New Brunswick, is it? There was one scheme there.

Mr. Lapointe: There are two different schemes, but both are administered by the department. The other scheme is the one I imagine my hon. friend has in mind, namely the New Brunswick family scheme.

Mr. Brooks: Yes.

Mr. Lapointe: One other reason the matter comes under this department is this. My hon. friend will recall that last year there was in the estimates an item to buy out the United Kingdom equity in these properties. That item was in our departmental estimates last year. The whole thing is now administered by us.

Mr. Cardiff: Is there an increase in the number of cases coming before this board?

Mr. Lapointe: That is applications for settlement under the Veterans Land Act?

Mr. Cardiff: Yes.

Mr. Lapointe: The numbers are gradually decreasing.

Mr. Cardiff: But your administrative costs are increasing. Your administration costs are up by $180,000.

Mr. Lapointe: The increase in administration costs reflects the increase in salaries which took place during this year.

Item agreed to.

549. To provide for the upkeep of property, Veterans Land Act, including engineering and other investigational planning expenses that do not add tangible value to real property; taxes, insurance and maintenance of public utilities, $77,000.

Mr. Bryce: Will the minister make a statement as to what progress is being made with regard to sewage disposal in the Charleswood settlement? I think something is being done. The parliamentary assistant is quite well aware of what is going on.

Mr. Lapointe: I will ask my parliamentary assistant, who is familiar with this particular problem, to answer the question.

Mr. Mutch: Following the difficulties which took place in the Charleswood settlement and in St. Vital last spring as a result of freezing of the septic field, an undertaking was given by the department to make a survey, once conditions had been restored to normal, with a view to discovering whether or not the fields were properly laid, whether they had been properly maintained, and what caused the difficulty; and to determine what it might be possible to do to take care of it.

Within ten days I had a report by telephone that the examinations in those fields were taking place. I believe they began in Charleswood and were then going on to St. Vital. I am not certain as to which place they began, but that examination is in the process of being made. I am told that the fields which are being examined are test fields suggested by the tenants themselves—that is, by the occupants of the houses themselves—and that they are proceeding at the present time. We are awaiting a final report as to what the discoveries were. I believe the original commitment was to test five of these fields in each district in the presence of and in circumstances suitable and agreeable to the occupants of the houses. That is proceeding and we are anticipating a report shortly.

Mr. Bryce: Is it the case that the department has employed Mr. Scott, the water engineer who laid out the system to begin with, to give advice?

Mr. Mutch: At the time we committed ourselves to making an examination, the first suggestion which was made by the department as to officials to give expert opinion on it was as the result of a question by some of the veterans concerned. They wrote to the department—as a matter of fact, they wrote to me—and asked whether it would be possible to secure the services of Mr. Scott who, as the hon. member knows, is retired. He was the former water district engineer and the man whose advice was sought in the first instance as being an expert in these matters. I consulted officials of the department and the minister, and consent was given to employing Mr. Scott if he was available. My understanding is that at the request of the veterans themselves he is being called in as consultant to pass judgment upon the efficiency or otherwise of the fields as laid out.

Some hon. Members: Carried.

Mr. Brooks: Six o'clock.

Mr. Bryce: Would the minister make the evidence available?

Mr. Mutch: When the report is available I will be glad to make it known.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at eight o'clock.

Mr. Brooks: I think item 548 stood at six o'clock and there was a question or two I wanted to ask. Can the minister state how many veterans are settled under the Veterans Land Act and what the situation is with reference to keeping up payments?

Mr. Mutch: Is that farming, or is the hon. member including small holdings?

Mr. Brooks: Including small holdings. How many have kept up their payments in full; how many have kept up their payments in part and how many have made no payments at all during the past year?

Mr. Mutch: I doubt if we have the information in that form, but we can give you the number settled under the Veterans Land Act and the number in arrears.

Mr. Lapointe: There were 75,340 veterans who qualified; there were 55,464 who were approved for assistance, and there were 55,121 for whom disbursements have been made.

Mr. Brooks: Have the payments been satisfactory? Perhaps the minister cannot give full details, but he could give some idea of the situation.

Mr. Lapointe: In full-time farming there were 4,023 in arrears out of 24,155 who have been settled.

Mr. Brooks: Have any abandoned their holdings at all?

Mr. Lapointe: There were 37 veterans in full-time farming and 38 with small holdings whose cases have been referred to the provincial advisory board for consent to the recession of their contracts, as of March 31, 1952.

Mr. Brooks: I notice that on page 589 a large increase in the number of settlement officers, grade 2, is indicated. There are now 223 settlement officers as opposed to 64 in the previous year, which seems to be an increase of three and a half times.

Mr. Lapointe: As will be noted on page 590, the over-all picture shows a decrease. The present total is 1,198 as compared to 1,209 last year. With respect to settlement officers, grade 2, it is due to a reclassification of these employees by the civil service commission. Similarly a little lower down on

the page under the heading "settlement supervisors, Veterans Land Act" there is a decrease from 209 to 46.

Mr. Brooks: I noticed that, and I also noticed they were all grade 1 with a salary of $2,436 to $3,240. In this case they were grade 2 with a salary of $3,240 to $3,888. It does seem like quite a wholesale promotion.

Mr. Lapointe: The reason is that we have been endeavouring to get the best possible calibre of employee. The great majority of these employees are university graduates who have specialized in agriculture, and naturally we have to pay to get the better class of man.

Mr. Brooks: They were already employed?

Mr. Lapointe: Not all of them, though most of them were. I am informed that many were threatening to leave the service unless a reclassification was made.

Item agreed to.

550. To provide for the payment of grants to veterans settled on provincial lands in accordance with agreements with provincial governments under section 35 of the Veterans Land Act, 1942, as amended, and payment of grants to veterans settled on dominion lands, in accordance with an agreement with the Minister of Resources and Development under section 35 of the Veterans Land Act, 1942, as amended, $600,000.

Mr. Brooks: I should like to ask the minister where these settlements are in the different provinces.

Mr. Lapointe: The total number of veterans settled on these lands is 4,655, made up as follows: British Columbia, 146; Alberta, 2,056; Saskatchewan, 1,541; Manitoba, 422; 84 in eastern Ontario; 333 in Quebec and 73 in the maritime provinces.

Mr. Quelch: Are these all on provincial lands?

Mr. Lapointe: Provincial lands and dominion lands.

Mr. Quelch: In what form are the dominion lands?

Mr. Lapointe: There are some in Yukon, some in Banff national park and some at Whitehorse.

Mr. Herridge: Under this item I should like to draw the minister's attention to the fact, which of course he knows, that British Columbia is being developed at a very rapid rate. Provincial lands close to settlements are getting scarcer and scarcer. I suggest that his department should make a survey of the provincial lands available in British Columbia within a reasonable distance of small communities, get in touch with the provincial lands department and ask them to reserve any lands that are thought suitable. I find that more and more men are becoming aware of the opportunities for settlement on provincial lands, but then they find they are too late because somebody else has bought the land.

Mr. Lapointe: I will be very glad to keep my hon. friend's suggestion in mind.

Mr. Fraser: I do not know whether I am on the right item, but I should like to ask the minister whether he has considered further a question I have asked in the past regarding veterans whose small holdings are taken into cities. Will they be allowed to sell part of their property in order to save taxes? It is pretty hard on a man when his property is taken into a city, because taxes have increased so much.

Mr. Lapointe: There has been no final decision but the matter is being explored very actively at the present time, and there will probably be an announcement of policy in a short time.

Mr. Fraser: I am very glad to hear that because in every city across the country veterans are in the same position, and they are very much affected by the burden of heavy taxes.

Mr. Quelch: What are the veterans doing who have settled in the past on these lands? Are they small holdings? I take it they would not be farming?

Mr. Lapointe: They are small holdings.

Mr. Herridge: The minister mentioned small holdings. I do not think I am quite in order in saying this, but I have been so busy I have had to be out of the house all day. In the interior of British Columbia it is very difficult for men to find two acres or more in the form of small holdings on which to settle. As the minister knows there has been considerable demand for the return to the requirement of only half an acre. It is a serious matter. Land is scarce, and I wish the minister would see that the regulation is changed so these veterans may settle on a small holding of half an acre or a little more. It is a very serious matter in my constituency. Over 250 veterans were denied the opportunity to settle on small holdings because of the increase from half an acre.

Mr. Browne (St. John's West): Are any of these payments made in Newfoundland?

Mr. Lapointe: Yes, there are some settlements in Newfoundland. Some of the veterans devote their full time to their holdings, and there are some with small holdings who are engaged in commercial fishing. There are some settled on provincial lands also.

Mr. Goode: I wish to support the hon. member for Kootenay West. I think he has brought up a very important point. No doubt the minister has been giving a lot of consideration to it. British Columbia is peculiar—

Mr. Brooks: In many ways.

Mr. Goode: —in the nature of its territory, and I think we have a different situation from any other province in Canada. The hon. member for Kootenay West has talked about the interior of British Columbia. What he has said is not only applicable to the interior but also to the lower mainland including my constituency of Burnaby-Richmond. We have a large number of veterans there who wish to settle on the land but the acreage requirement is too high. I support the hon. member for Kootenay West in bringing this matter to the minister's attention.

Mr. Green: Has the minister given any consideration to these suggestions? I think the hon. member for Burnaby-Richmond is quite right about the situation on the lower mainland of British Columbia.

Mr. Lapointe: I am sorry, I did not follow my hon. friend's question. What was it exactly?

Mr. Green: Has the department given consideration to the suggestions advanced by the hon. member for Burnaby-Richmond? I believe he has pictured a condition which certainly exists on the lower mainland of British Columbia.

Mr. Lapointe: We have considered the situation. Certain representations have been made at various times. I will keep in mind particularly the circumstances mentioned by the previous speakers with respect to British Columbia.

Mr. Goode: May I bring an example to the minister's attention and put a direct question to him. I do not expect him to answer now but I know he will consider it. Would the minister please investigate the situation so far as the riding of Burnaby-Richmond is concerned? There is a large amount of land which is mainly settled, but there are a lot of veterans in that part of the country who want small holdings. I should like to take this opportunity to ask the minister to have an investigation made by his officials and to let me have the answer as soon as possible.

Mr. Laing: Has the situation in this regard changed? I recall that close to Vancouver the department bought four or five farms, only one of which was developed. The other farms were resold, and that took place in recent years. I assume if there had been a demand at that time the land would have been subdivided. Were the veterans requesting small holdings at that time? Those farms were sold. The department did not develop them.

Mr. Lapointe: As to the instance mentioned by my hon. friend, I am informed that the reason the project was not developed was that it was found it would have been uneconomical to do so in view of the high cost of providing the necessary services.

Item agreed to.

552. To provide for the reduction of indebtedness to the director of soldier settlement of a settler under the Soldier Settlement Act, in respect of a property in his possession, the title of which is held by the director, by an amount which will reduce his indebtedness to an amount in keeping with the productive capacity of the property and his ability to repay his indebtedness to the director, under regulations approved by the governor in council, $150,000.

Mr. Fair: Before this item is carried may I ask the minister a question. What is the position of the old soldier settlers under this item? He will remember that about thirty-three years ago there was an act to provide for the settlement of farmers and others, many of whom were totally unqualified to settle on the land, and I think the object then was to get those people out of the towns and cities. Some fifteen years ago I started a campaign to get those fellows clear title because I felt they had all paid in full at that time. Only three years ago did we get some action, and an amount of $150,000 was placed in the estimates. That has appeared annually so the people who were most in need could get their accounts straightened out. That has been some little relief and I see that a similar amount is in the estimates for this year.

In my opinion these accounts are not being cleared up fast enough, and I would like to know the position of these people today. The last figure I got, some five or six months ago, showed that they still owed an average of over $1,100 each. At that rate they will all be dead, and in some cases their families as well, before the estates get clear title.

Mr. Lapointe: Mr. Chairman, at the time this scheme of debt reduction was started, and I think the first estimate was in 1948, there were 2,637 active soldier settlement accounts with a total debt of $2,842,534.30 and an average debt of $1,077.94. As of March 31, 1952, there were 746 accounts with a total debt of $799,729.69, so my hon. friend can see that nearly three-quarters of the accounts which existed when we started this scheme in 1948 have now been closed. The average debt of the 746 accounts which now remain is $1,072.02. Included in the 746 accounts are

225 in which reductions to a total of $108,-821.77 have been approved on a time basis not exceeding three years. This leaves 521 of the original 2,637 whose accounts have not been adjusted. My hon. friend can see that there has been considerable steady progress in the settlement of these accounts.

Mr. Fair: Mr. Chairman, it may be rather remarkable that the average debt in 1948 was $1,077.94 and at the end of last March that average debt had only been reduced by $5.92. I think we are still getting a certain number of these people who are owing a lot of money to the department. From the last figure of $1,072.02 it is going to take a long time to get the debt squared up. Instead of $150,000 I would like to see an amount to take care of the whole thing and let these people get clear once and for all. They have done their bit for the country and now I think it is time for the country to do its bit for them.

Mr. Lapointe: Mr. Chairman, I know my hon. friend does not do it intentionally but the way he puts it does not give a true picture of the situation. It is true that the average debt has been reduced by only a few dollars, but I mentioned that of the 2,637 accounts which existed when we started this scheme more than three-quarters have been closed and settled. There are only 521 with whom there have not been adjustments. Their debt has not been reduced because these people have not paid.

It is all very well to say we would like to have just one large amount in the estimates and close up these books. However, in all fairness to all the other settlers who have met their obligations, and in fairness to all the veterans settled under the Veterans Land Act who meet their obligations, when there are cases of these older settlers who are quite capable of paying but who have refused to do so I hardly think it would be the proper thing to close out their account. I know they are not in the majority but there are cases which I can quote to my hon. friend. There is one settler who, besides the land on which he was originally settled, owns land which is fully paid for and is valued at $17,000. He owns $15,000 worth of machinery which is fully paid for; and when he came to the supervisor and asked for an adjustment of his debt which was under $1,000 he was refused. But he walked out and bought a new car, and informed the supervisor that he was going away for a three-month holiday. I hardly think the parliament of Canada should be asked to close out that account.

Mr. Fair: It is rather a funny case for the minister to put up.

[Mr. Lapointe.]

Mr. Lapointe: All right; I can quote you some more. I mentioned that these might be extreme cases but I think the mere fact that cases like that do exist justifies the procedure we have been following over the last five years which permits the reduction of debt and a grant of full title to the men who deserve it and who are trying to do their best to meet their obligations.

Mr. Fair: We have odd cases such as the minister has quoted, but I can point out others throughout the country—

Mr. Sinnott: Tell us who they are.

Mr. Fair: It seems the wind is blowing through and there does not seem to be anything to stop it over by the curtains.

The Chairman: Order.

Mr. Fair: I think the minister might take this matter into consideration and clean up the mess. It has been a mess. We had the gentleman in charge of the department when this scheme was set up say it was a hastily improvised scheme to get these people out on the land. Having an admission like that from a gentleman who was there for a number of years prompts me to suggest that we might review the matter again.

Mr. Lapointe: I might add that when we are considering the supplementary estimates after the main estimates are through there is one vote, a dollar vote, covering this subject. At that time I will explain why the vote is there and my hon. friend will realize that we are even broadening the policy to permit more generous settlement of these cases.

Mr. Fair: I am glad to hear that.

Mr. Pearkes: Might I ask the minister what is the basis of payment. Does the department put up one dollar for every dollar the veteran pays, or just what is the scheme?

Mr. Lapointe: The debt reductions have averaged between 40 and 50 per cent. As a matter of fact of the amounts which have been reduced, and which I mentioned before, 45·56 per cent has been paid by the department and 54·44 per cent by the settler.

Mr. Brooks: The soldier has to pay something himself.

Mr. Lapointe: Yes, we reduce his debt according to the new terms over a period of three years.

Mr. Laing: Might I ask what the terms of this indebtedness are? In the rather extraordinary case recited by the minister, has

the department no means of collecting such a debt? It would seem to me that would be the logical thing to do.

Mr. Lapointe: There are the normal legal steps that could be taken, but I do not think it has ever been done. I can just imagine what the reaction would be if at any time, even in extreme cases such as the one I mentioned, one of these men was evicted from his farm.

Mr. Laing: Is there any more fairness in allowing this debt to pile up than there is in writing it off?

Mr. Lapointe: We keep the title.

Mr. Fair: In the past there have been many cases where old men have been put off their land and other cases where settlers were compelled to sign quit-claim deeds. At that time the department had as director a Mr. Murchison who would have been much more in place working for some mortgage company instead of administering a soldier settlement scheme. I believe many more settlers would have been put off their farms if their treatment had not been exposed in this house.

Mr. Lapointe: There may have been such cases in the past, but there have been no evictions under the new scheme.

Mr. Fair: I should like the minister to tell us the cost of administration of this particular project during the past year.

Mr. Lapointe: Unfortunately it is not kept separately, but is part of the whole cost of administration under the Veterans Land Act.

Mr. Wylie: I want to support what the hon. member for Battle River has said. I think the cost of administration of this work should be kept separate. The case to which reference has been made is one of the extreme cases, and I know of many cases in the dried-out areas where the farmer cannot pay but the debt is still charged up against him. I am sure that the minister cannot refer to a case in the southeastern area of Alberta in which the same circumstances apply as the case to which he referred.

It does seem to me this is another matter that could be disposed of very easily. This is not the first time I have spoken in this house about old debts. The other evening I mentioned the subject in connection with another matter, but I know I would be out of order if I referred to it. Just because certain of these people are able to pay their debts does not mean everyone is able to do that. It depends entirely upon the circumstances, not only in the west but in the east as well. I think it is about time this matter was given serious consideration and these old debts were cancelled.

Item agreed to.

Terminable services—

555. Post discharge rehabilitation benefits, including the training of merchant seamen and salt water fishermen pensioners, $3,677,500.

Mr. McLure: In this item what is meant by the training of merchant seamen—I know what that means—and salt water fishermen pensioners? What training and educational benefits have been given to salt water fishermen, and what fishermen in Prince Edward Island have had any benefit from that item?

Mr. Lapointe: I could not tell the hon. member how many Prince Edward Island men are affected by this vote, but it covers vocational training for these people. I am informed that at the present time we only have 190 veterans left in vocational training.

Mr. Browne (St. John's West): Are any veterans in Newfoundland receiving benefits from this vote?

Mr. Lapointe: I am not sure if I have the information broken down by provinces. I shall look it up.

Mr. Dinsdale: Under this section I should like to refer to a matter that has come to my attention on several occasions recently. It concerns the administration of the army benevolent fund. I trust I am in order in mentioning it here, because it is not mentioned elsewhere specifically.

Mr. Mutch: It is not administered by the department, so you will not find it in the estimates.

Mr. Lapointe: The army benevolent fund operates under an act which was amended the other day. It is administered by a voluntary board which reports through the Minister of Veterans Affairs to parliament. The annual report is tabled in this house, but the department has nothing to do with the administration of the fund.

Mr. Dinsdale: Under what item or circumstances could one refer to the army benevolent fund?

Mr. Lapointe: You mean in the house?

Mr. Dinsdale: Yes.

Mr. Lapointe: Well, there was a bill that came up the other day, and upon which there was a short debate.

Mr. Green: Perhaps the minister could answer the question.

Mr. Lapointe: I would suggest that it might come under the item of administration, since

the board must report to the minister. However, I have no objection if the hon. member wants to put a question.

The Chairman: Perhaps the hon. member could ask a question and the minister will see if he can reply.

Mr. Dinsdale: Briefly, the problem is this. Under the present set-up of the act only veterans of world war II are covered by the army benevolent fund. I understand that this is due to the fact the fund was created from amounts of money that were accumulated during world war II. The problem arises, however, with the increasing number of Korean veterans who are applying for benefits under this act. Those responsible for administering the fund must inform these Korean veterans that they are not eligible.

Upon making inquiries I find that the air force benevolent fund and the navy benevolent fund, which I understand are privately operated, have overcome the difficulty and apply the same treatment to Korean veterans as to veterans of world war II. They do it by a simple formula, in that they receive one per cent of all canteen funds. The information I have is that the only way the present anomalies in the army benevolent fund can be remedied is by government action. I am assured that the officers administering the fund are willing to take on this added responsibility, if there were a means whereby they could do so.

Mr. Lapointe: The hon. member is quite right in saying that only world war II veterans can benefit from the army benevolent fund. This fund was made up, as the hon. member knows, from regimental and canteen funds during world war II. He is also quite right in saying that the only manner in which the Korean veterans could be permitted to benefit from the fund would be through an act of parliament, because the board must necessarily administer the fund according to the act and the benefits are extended only to world war II veterans.

Each year the board makes recommendations to the minister, and as a result of those recommendations this year we had certain amendments to the act. I shall be pleased to discuss with the members of the board any further extensions which they might think appropriate.

While I am on my feet I might also answer the question asked by the hon. member for St. John's West with regard to the number of Newfoundland veterans who might have received vocational training. I am informed that at the time of union we took over sixty-two veteran trainees of Newfoundland who had not yet completed their rehabilitation training. Of these, seventeen were being trained in Newfoundland, forty in other provinces, three in the United States, and the remaining two in the United Kingdom. Of these, sixty were being trained in universities and two in vocational courses.

Mr. Browne (St. John's West): Are they all finished now?

Mr. Lapointe: It is exceedingly difficult to say. I would not have that information. I would venture to say that most of the university trainees would be finished by now.

Mr. Green: This item covers post-discharge rehabilitation benefits. For some time there has been a considerable amount of veteran opinion in favour of some action being taken to extend benefits of this type to the children of those men who lost their lives in the service of the country. For example, at the recent dominion convention of the Canadian Legion two resolutions dealing with this subject were passed. The first one read:

> Whereas knowledge of resulting hardships encountered by widows and children of veterans of world war II who made the supreme sacrifice, when the age limit is reached and no further allowances are paid on behalf of the dependent children; and
>
> Whereas it is desirable that the children be given an opportunity to continue their education and where the widow may desire to build a home or purchase new furniture, etc., for the benefit of her children:
>
> Therefore be it resolved that all such entitlement and credits, etc., which the veteran would have received had he been spared to return be made available to his family.

There was a further resolution which read this way:

> Whereas the widows of servicemen who were killed or who died during service will be unable to educate their children to the same standard which might have been attained had the father returned; and
>
> Whereas it is in the best interests of the nation to have the rising generation well educated, particularly the children of men who died for their country:
>
> Therefore be it resolved that the federal government be requested to instigate a policy for such dependents similar to that in force for single student veterans attending university or vocational training schools and receiving a monthly allowance under the Rehabilitation Act.

Following that convention the new president of the Legion presented a supplementary brief to the special committee on veterans affairs, as the minister knows. At page 5 of that brief we find this statement with regard to these rehabilitation credits. He quotes part of these resolutions I have read, and in addition says this:

> The convention further indicated that it felt that the country, in memory of its war dead, could do something more for the family of one who died in service, and recommended that the rehabilitation

credits which would have accrued had the husband or father lived or some equivalent provisions be made available for his family.

Then after quoting the resolutions the Legion end their submission in this way:

These two resolutions are similar in purpose, and we are sure will commend themselves, both to the members of this committee and to the government. The people of Canada through their government would want to assume the obligation indicated in these resolutions, and see that these young people be assured of an opportunity for training and education which we may reasonably assume the father would have provided had he not laid down his life for his country.

In connection with this suggestion there are two features which I think merit consideration by the department. The first is that there was, of course, no liability to the country for the rehabilitation of these men who lost their lives. The second is that these children whose fathers were killed or who died in the service of the country are unlikely to have the same chance to obtain an education or to obtain a thorough training that they would have had if the father had returned to Canada. I believe that veterans generally are in favour of some proposal such as that suggested by the Legion. I would ask the minister to let us know the views of the department on this question.

Mr. Lapointe: The resolution was passed on to me by the executive council of the Legion and along with other resolutions it is now being studied by the department and will be considered by the cabinet. That is all I can say at this stage.

Item agreed to.

Soldier Settlement and Veterans Land Act—

561. To provide for protection of security—soldier settlement, and refunds of surplus to veterans, $25,000.

Mr. Brooks: May we have an explanation of this item?

Mr. Lapointe: That is the usual vote for the settlement of veterans under the Veterans Land Act, to purchase property and so on. My hon. friend will see that there is also a supplementary estimate.

Mr. Murray (Cariboo): Might I point out that the purchase of property at Montney in the Peace river country for some 32 veterans has turned out successfully. This land was acquired from the Indian affairs branch, or at least from the Indians. It was reserve land. I think you have there an example that might be copied all over British Columbia and in many other parts of the country. Arable land owned by the Indians or reserve land not being cultivated could profitably be taken over, as was done at Montney, and good prosperous homes could be provided for many of our veterans.

Item agreed to.

The Chairman: There are four supplementary estimates to be found at pages 21 and 22 of the white book.

Pensions and other benefits—

816. War veterans allowances—further amount required, $5,850,000.

Mr. Brooks: May we have an explanation of this item?

Mr. Lapointe: This is to meet the increases which were provided by the amendments to the War Veterans Allowance Act.

Item agreed to.

817. Gallantry awards—world war 2 and special force—further amount required, $3,000.

Mr. Brooks: May we have an explanation of this item?

Mr. Lapointe: This is to provide for the payment of money for gallantry awards for the Korean force, the same as were given to veterans of world war II.

Mr. Brooks: Has the government ever considered giving money awards to veterans of world war I for these military awards? I do not think they received the same consideration as that received by veterans of world war II or that which is being received by the veterans in the Korean war.

Mr. Lapointe: This matter was brought up before in the discussion on the estimates. During the first world war we were not paying; the British government was paying the monetary awards attached to these decorations. During the second world war we took over the payment of the awards that had been paid by the United Kingdom government in respect of world war I. Then during the second world war there were pecuniary awards given in connection with other decorations, which were not given during the first world war. We now assume payment for all. But we follow a uniform policy with the rest of the countries of the commonwealth as regards world war I decorations.

Mr. Cardiff: Has any consideration been given to Canadians who were imperial veterans of world war I and were paid in pounds sterling? Has there been any consideration of the fact that the pound sterling is so low in value?

Mr. Lapointe: I would not think that question would come under this item. These veterans are receiving disability pensions from the British government.

Mr. Cardiff: But due to the fact that the pound is so low in value they would not be receiving very much.

Mr. McLure: How many South African war veterans do we still have in Canada? I notice that we have a pension fund for them.

Mr. Lapointe: I shall endeavour to get those figures. We would have the number of recipients of war veterans allowances, but I do not think I have the figure the hon. member seeks.

While I am on my feet I should like to correct an answer I gave to the hon. member for Royal this afternoon in connection with veterans insurance. He asked me the number of policies in force at the present time and I replied that there were 32,142. The figure should have been 26,985.

Item agreed to.

Soldier Settlement and Veterans Land Act—

821. To provide for purchase of land and permanent improvements; cost of permanent improvements to be effected; removal of encumbrances; stock and equipment; refund of surplus to veterans (section 19); and for protection of security under the Veterans Land Act—further amount required, $2,500,000.

Mr. Herridge: Would the minister explain this item.

Mr. Lapointe: This deals with the same subject matter as the vote in the main estimates in respect of settlement under the Veterans Land Act. It was found that the number of veterans qualified would be such that we would require this supplementary amount of $2,500,000.

Item agreed to.

DEPARTMENT OF PUBLIC WORKS

330. Departmental administration, $584,997.

Mr. Green: Is the Minister of Public Works making any statement concerning the work of his department?

Hon. Alphonse Fournier (Minister of Public Works): Mr. Chairman, I could make a real statement by reading what is in the estimate book. The Department of Public Works is not a policy-making department; we service departments, and we try to help every department of government as well as hon. members and people throughout the country who require public works. If it would please the hon. member I would be prepared to read the list of works we are undertaking, but I believe this would be an expenditure of time that would not be justified because hon. members have had this book of estimates for the last three or four months, and I know they are familiar with nearly every item. However, if they have any questions in respect of any project I shall be ready to do my best to answer them.

Mr. Green: Mr. Chairman, there is one feature about the department which gives me some concern, and which I think could be dealt with by the minister. I refer to the extent to which other departments of government are doing construction work.

I have had this matter in mind for some time, and I see by the morning press that the special committee of the Senate has made a recommendation on this same point. The dispatch I hold in my hand is headed "Ottawa is hit for by-passing Public Works". That makes it look as though the minister is being by-passed and we do not like to see that happen.

The report of the Senate committee has not yet reached us, but I have here the proceedings of the meeting of the committee where they cross-examined the deputy minister of this department. According to this press dispatch several definite recommendations were made concerning the Department of Public Works. The article sets out these recommendations:

(1) That federal government departments stop by-passing the public works department to build their own works. The report said this should be handled by the public works department, as the law intended.

Then the second recommendation deals with postage. The article then goes on to say:

Regarding public works the report said that departments other than the public works department plan to spend more this year than the $80 million budget of the public works department for this purpose.

Then follows this quotation from the report of the Senate committee:

It certainly appears this can have no other effect than duplication and overlapping and the inevitable general increase in costs that is bound to result from this practice.

Then the dispatch goes on to say:

Although provision was made in legislation for other departments to build their own works—

And again the article quotes from the report of the Senate committee:

—surely this was only intended to meet special circumstances, and was never meant to be used in the broad sense in which it is used today.

The hon. senators brought out during the course of their cross-examination the fact that public works were being constructed by the Indian affairs branch of the Department of Citizenship and Immigration. They refer also to canals being constructed by the Department of Transport, to the Canso causeway and to the airports also under the jurisdiction of that department. Then they make reference to armouries being built by

the Department of National Defence, though I think they meant the Department of Defence Production. There is reference to the new building on the Montreal road for the Central Mortgage and Housing Corporation, which is being constructed by that corporation. There is further reference to buildings being constructed by the Department of National Revenue, to buildings by national parks branch, by the Department of Mines and Technical Surveys, and to construction being done by the Department of External Affairs, the Department of Fisheries and by the commissioner of penitentiaries. I have only had time to glance through the report of this Senate committee rather quickly. I think other departments or branches of government are mentioned there, and it would look as though something of a raid is being made by other departments on the functions of the Department of Public Works. They seem to be wolfing the Department of Public Works.

This is really a serious matter because the Department of Public Works was set up, I think at the time of confederation, for the purpose of constructing public works in Canada. The department was entrusted with the construction of public works. I should like to know why that situation is being changed. It appears that under part II of the Public Works Act there is provision for another department to take away from the Department of Public Works the building of projects, and we have had many examples of this.

I raised this matter yesterday with the Minister of Defence Production. That department does all the building for the Department of National Defence, but that was not so before the second world war. Hon. members will remember that at that time defence building was done by the Department of Public Works. Certain forts were built in Vancouver, and if my memory serves me correctly they were built by the Department of Public Works.

Some weeks ago the Minister of Defence Production explained that his department was temporary, and it was hoped that eventually the work would be handed over to other departments. I would have thought that when that time came defence projects would go back to the Department of Public Works. When I asked the Minister of Defence Production about that yesterday he replied, as reported on page 3631 of *Hansard*:

Mr. Green: The minister said a few days ago that he did not expect the Department of Defence Production to be carried on indefinitely. I presume that in due course this work of building projects for the Department of National Defence will revert to the Department of Public Works? Is that the intention?

Mr. Howe: That is a matter that cannot be predicted at this time. When the work handled by the Department of Defence Production becomes so small that it does not warrant the overhead of a separate department, the work will be placed elsewhere; but I cannot predict at this time where the work will be placed.

Apparently it is quite indefinite as to just which department will take on this work when the Department of Defence Production folds up. I am afraid that if this trend continues of having construction work done by different departments it will be more expensive than having the work done by the Department of Public Works. After all, the minister has trained men in his department and it has been their job for many years to build public works. I do not see why other departments should step in and take away that construction work. If it goes on the Department of Public Works will soon be in a position where it is not qualified to handle many of these projects. None of us would want that to happen. I do not believe the department is being given a proper chance at the present time, and I hope that the minister will put his foot down with his colleagues and see that these projects become the responsibility of his department.

Mr. Fournier (Hull): Mr. Chairman, I am sure the praise and the encouragement of the hon. member in connection with the work of the officials of my department will be greatly appreciated. I was really flattered when I saw this Senate report where they indicated that all construction should come under the Department of Public Works. I would be the last to object to that. They indicate that more construction is going on outside the Department of Public Works than is done by that department, so I can visualize the department with a staff two and a half times as large as we have at the present time. I ask myself whether that increase would be justified when we know that most of the construction being done by other departments is of a temporary nature and may disappear within one, two or three years.

The hon. gentleman mentioned that the Department of Public Works was an old department of government. It was created at the time of confederation and has existed ever since. It has under its control all buildings and the housing of government services, and I am referring particularly to office space. Other departments have handled construction work. The Department of National Defence has always had an engineering staff in charge of the construction of barracks and other works which were never under the Department of Public Works.

In former years practically all works along rivers and harbours were under the Department of Public Works, but then the national harbours board and other harbour commissions came into being and they undertook these works themselves. Then as to Indian schools, the Indian affairs branch has architects with special knowledge in these matters, and they are handling this construction. In the past this was handled by the Department of Public Works. In the matter of hospitals we do act for the Department of National Health and Welfare, as we do for many other departments.

My hon. friend should not fear that the Department of Public Works will disappear or that the officials in the department will not be able to handle any construction that is approved by hon. members in the way of estimates. Our present staff is not sufficiently large to handle all the construction work mentioned in the estimates. There is a shortage of this type of technical men and we cannot always undertake all the public works that are approved. They may drag on for a year or two, but eventually we are able to construct the authorized wharves, piers and breakwaters and do the dredging that is called for.

I think this department should avoid haste in the development of projects. I cannot change the mentality of the staff of my department. These men come in at an early age and are trained under a certain procedure and technique. It is often said that the Department of Public Works has the most red tape, and after ten years at the head of that department I think it is true. Hon. members may not realize how many reports must be made before a recommendation can be made to the treasury board and cabinet for authorization to present an estimate to parliament. For the sake of protecting the public I think it is good that we follow this procedure. Quite often hasty work is wasted work, and we pride ourselves upon having the most economical department in the government. This means that we have many revotes every session, but that in turn indicates that we have given a lot of thought and are ever aware of the responsibility which devolves upon us under the statute governing this department. I am always pleased to hear it said that certain works should come under the public works department. Nothing would please me more than to handle a good many projects, but I do not believe I could give satisfaction without increasing the staff. I think other temporary departments could do the work more expeditiously than it could be done by the public works department. The hon. member spoke of Central Mortgage and Housing Corporation. I would not contest their right to put up their building. They must have experts. That is their line of business; but that organization did not exist when the public works department was created. It is another creation of government which has come about in modern times.

As to canal work, I think in the transport department they have people with special training who are capable of doing that work. I would not want to undertake to handle all construction work. Being a servant of the other departments and the public is quite difficult enough with the task we have now, because you would be surprised how many people are not satisfied with what we are doing. We are not doing it very quickly, so I think I would leave well enough alone as Minister of Public Works and do the best I can with the works we have to handle.

Mr. Green: I am afraid the minister is a real Tory.

Mr. Fournier (Hull): I beg your pardon; oh, no. That is the only word I object to in what the hon. gentleman has said.

Mr. Green: I am afraid we have a real reactionary here.

Mr. Fournier (Hull): That is not what they say on my side.

Mr. Green: After all, this department is meant to be the building department of the government. That is its job. The minister himself has pointed out that he believes the taxpayers get better protection from his department than they do from the other departments.

Mr. Fournier (Hull): I did not say that.

Mr. Green: That is what it meant.

Mr. Fournier (Hull): Oh, no; I did not say it and I did not mean it, so do not put a meaning on my words that I did not intend to give. Other departments are doing a wonderful job under the circumstances. I am trying to give the traditions of the Department of Public Works. We have certain traditions. It is not only the Tories who have traditions. They exist in other parties too.

Mr. Green: The minister put it in this way. He said that his department gave great protection to the public. He explained what great trouble they went to in preparing their estimates. He told us all about the red tape and all the precautions to protect the public. Surely the public is entitled to just as much protection in the other departments.

Mr. Fournier (Hull): Ask the other departments. Don't ask me.

Mr. Green: I will be glad to help the minister.

Mr. Fournier (Hull): I don't need that help.

Mr. Green: I am afraid the minister is getting an inferiority complex.

Mr. Fournier (Hull): That may happen.

Mr. Green: He seems quite prepared to sit back and let other departments kick him around. I suggest in all seriousness—

Mr. Fournier (Hull): The only man who has kicked me around is you.

Mr. Green: The minister does not mind that. He kicks back, and well, too. I suggest in all seriousness that the present trend means the building up in other departments of staffs to carry on these building projects, adding an engineer here and an architect there, whereas that work should be done by the staff of the Department of Public Works which has facilities for doing these jobs. I believe no one would quarrel with the minister making additions to his staff so they could handle most of these public works projects. I do not believe there can be any question that there is bound to be duplication and waste of public money where you have a dozen or more different government departments doing their own building.

Mr. McIvor: The minister was kind enough to say that if there is any project about which we wish to inquire now is the time to do so. I should like to tell the minister that we have an outstanding need in Fort William. I have been after the project for over twelve years and we are still keeping at it. I refer to a breakwater in front of island No. 2 for the storage of pulpwood and logs for our two large paper mills, our sawmills and the use of industry generally on that island. Two large delegations came here last March, and I expect their number will be doubled next year. All I want the minister to do is consider this as an important project, because we hope to get it next year.

Mr. Hees: I have spoken to the minister on several occasions during the past few months in an endeavour to ascertain from him what the government is going to do to prevent further deterioration of the Toronto islands. I have not yet had an answer from him, and I hope I shall be able to get one tonight. I have emphasized to the minister the essential part these islands play in the formation of Toronto harbour. I pointed out that without these islands, there would not be any Toronto harbour at all. I have also pointed out to him that the Toronto harbour is a very important part of the projected St. Lawrence seaway and that if the situation with respect to the islands is allowed to deteriorate further, the cost of repair in the years ahead will be many times more than it would be at the present time.

Eventually that cost will have to be borne by the federal government, because harbours are a federal responsibility. I have talked recently with Mayor Lamport of Toronto, and he tells me that he is getting nowhere with the Department of Public Works. Frankly, he thinks he is getting the run-around from the minister. I should like to make a suggestion to the minister, who is a very practical politician. It is well known that the Liberal party would like to have Allan Lamport as its leader in Ontario, and he is pretty reluctant about taking on that rather thankless task at the present time.

Mr. Fournier (Hull): That would not come under any item of public works, Mr. Chairman. I am sure of that.

Mr. Hees: I am just making a helpful suggestion. A very good way to persuade Mayor Lamport to take on that rather unattractive task at the present time would be for the federal government to assist the city of Toronto with regard to the Toronto islands. I am trying to help the minister, who is a practical politician.

Mr. Fournier (Hull): You are not going to get me to choose the leader in Ontario. I have enough troubles in Quebec.

Mr. Hees: All I can do is make all the suggestions possible. I am simply trying to help the minister.

Mr. Fraser: One mistake was enough.

Mr. Hees: As the hon. member for Peterborough West says, one mistake was enough. I would appreciate it very much if the minister would tell me, at long last, what the department intends to do with regard to assisting the city of Toronto in building protective works to help stop any further deterioration of the Toronto islands which, as I pointed out, are a vitally important and necessary part of the Toronto harbour.

Mr. Fournier (Hull): I understand that the damage to the islands is caused by high water and floods—

Mr. Hees: Storms.

Mr. Fournier (Hull): Storms—and that high water in a harbour does not do any harm. It may damage the islands, but the islands do not come under our jurisdiction at all. If we were to undertake to repair damages every time there was a flood or high water in the district I do not know if we could cope with the situation. I have said many times in the house that no district has suffered more from floods and high water than my own home city right across the river here. You see the Gatineau flowing into the Ottawa river, and every spring one-third of a town of about 4,000 people is flooded. When I was

a member, before I became a minister in the government, I did make requests and pleas to get help for those poor people in Gatineau Point who were flooded. I never succeeded. When I became minister I had the dual capacity of member and Minister of Public Works, and I have had many discussions with myself as to what should be done for those people. If you are speaking about politics, and I know a little about that subject, I do not know why the member for Hull should not have had the best of the Minister of Public Works.

Mr. Hees: I am surprised that he didn't.

Mr. Fournier (Hull): To date I have not convinced myself that it is any responsibility of the federal government; and if that principle is good in my own riding I think it should be equally good in Toronto. We have no jurisdiction unless it becomes a matter of a national disaster. When the municipality asks the province of Ontario for help in this direction, and when the province of Ontario will say: we cannot cope, the expenditure is too large, they can always come to the federal government and I am sure the federal government would consider any request from the province of Ontario under those circumstances.

Mr. Hees: I quite realize that every time there is flooding or erosion the federal government cannot be expected to right the situation. That would not be reasonable, and I have not appealed to the minister to do anything about the great losses and damage done to the shores of Toronto itself by erosion and flooding, nor have I appealed on a humanitarian basis for those who live on the islands, for property damage and so on. I am simply appealing on the basis that harbours, as I understand, are federal responsibilities. If this deterioration continues, then you are going to have no Toronto harbour. If you want to have a Toronto harbour as a vital part of the St. Lawrence seaway, it will have to be built up in the future, which will cost many, many times more than it would cost at the present time.

If the federal government has no intention of assisting Toronto in preserving its harbour, I would like the minister to say that now. If they do intend to help Toronto preserve the harbour I would like to know what steps they intend to take. I would like to know how we stand. Does the dominion government intend to help or not?

Mr. Fournier (Hull): I would like to know the answer the hon. gentleman received from the province of Ontario.

Mr. Hees: As I understand it, harbours such as this are a federal responsibility.

[Mr. Fournier (Hull).]

Mr. Fournier (Hull): I told you that high water helps us.

Mr. Hees: There is deterioration of the harbour.

Mr. Fournier (Hull): My officials tell me there is no deterioration of the harbour.

Mr. Ferguson: I do not intend to advise the Liberal government how to select a leader for the province of Ontario; if they continue as they have in the past it will be very satisfactory, in my opinion. However, I would like to mention to the minister the drydock contemplated for Collingwood.

This is a coldblooded business proposition, because I believe it is most essential to the shipping facilities on the great lakes. It is the logical location for it, and considerable progress has been made on the project. Owing to the fact that nowadays they are building large tankers and large iron ore carriers it has become more essential than ever that a big drydock capable of handling this type of boat be constructed at Collingwood. Can the minister inform me how rapidly that work might be expected to proceed?

Recently, within the last few months, one of the newer tankers was damaged by fire at Sarnia, and I believe the repairs alone amount to approximately $1½ million. They found it necessary to take that boat to the United States for repairs because we have no drydock on the great lakes capable of handling the large tonnage boats that are now being constructed.

I am sure the minister would be glad to give me information on when the work may be started on the new drydock at Collingwood which is so essential to all great lakes shipping.

Mr. Fournier (Hull): I understand there is a company called the Collingwood Drydock Company that wishes to undertake these works. They are associated with Canada Steamship Lines and they are actually negotiating with the officials of my department to see whether they can come under the Dry Docks Subsidies Act. They are preparing plans, and if they meet the conditions set out in the Dry Docks Subsidies Act they will benefit from the act and get a contribution or a grant spread over so many years. They have not finalized their plans or the negotiations for this grant.

Mr. Ferguson: Thank you very much.

Mr. Macdonnell (Greenwood): Referring to the point raised by the hon. member for Broadview, my recollection is that when this subject was up in March the minister did say he was getting a report on the situation

from one of his engineers. Am I right in that? And if I am right, has that report been received? Because, as the member for Broadview said, it seems to me it is very desirable that we should know whether any responsibility is assumed here. Somebody certainly should be assuming responsibility, and if the minister's engineer has reported then can we not know; and if he has not, should we not know what is going on?

Mr. Fournier (Hull): That is right; and the engineer reports that it is not our responsibility, that the harbour did not suffer any damages. I just explained before the hon. gentleman came in that for flood situations, high water and damage by storms we have no jurisdiction or responsibility unless the damage is to our own works. As the high water in the harbour of Toronto does not stop the traffic or harm the harbour we have no responsibility for the damage on the island. As I explained, if we were to cover all damage occasioned by storms and floods I would be the first to try to benefit from that responsibility because in my own district, two miles from here, every spring you will see the most terrible flood conditions.

Mr. Hees: But there is no harbour there.

Mr. Fournier (Hull): There is no harbour but people are living right alongside that river.

Mr. Hees: We are talking about a harbour.

Mr. Fournier (Hull): If you are speaking on humanitarian grounds, and as you said a moment ago you were speaking for the people on the island—

Mr. Hees: As I explained to the minister I am not speaking on humanitarian grounds, because I realize that is not a federal responsibility. I am speaking because I believe this is a harbour which is a federal responsibility.

Mr. Fournier (Hull): That is your opinion, that it is our responsibility. Not being my deputy minister nor my adviser, do you think I should take your opinion on this or take the opinion of those who have spent their lives on these works? Perhaps I am all wrong; perhaps I should tell my officers: Don't tell me these stories; the member for Broadview knows best.

Mr. Hees: We are beginning to get somewhere.

Mr. Fournier (Hull): Up to now I am not convinced I would be right in doing that.

Mr. Hees: I am most amazed that the minister took the trouble to send his engineer to investigate the matter if all along it was not a federal responsibility. It seemed to me that by sending his engineer, the minister agreed that it was a federal responsibility, but I take it that the federal government refuses to do anything in that regard.

Mr. Fournier (Hull): You will not make me say what I do not want to say. The gentleman asks: why did you send your engineer? What would you have said if I had not sent an engineer to look at the damage?

Mr. Hees: I would expect you to have said that it was not a federal responsibility and that there was no reason for sending an engineer.

Mr. Fournier (Hull): I have told you twice what the report was.

Mr. Hees: The report of your engineer is different from the report by the city of Toronto.

Mr. Fournier (Hull): I am neither the mayor nor a councillor of the city of Toronto. I happen to be the minister of the federal public works department. I have listened to the praise given by the hon. member for Vancouver-Quadra, and if you and he agree that we have the best of officials and do the best of jobs, then we will make some progress with these estimates.

Mr. Cruickshank: I should like to ask a question, but unfortunately I lost my voice down on the Saguenay. Well, I enjoyed the Quebec hospitality down there. I think the minister can hear me. Tonight I am not speaking just about the Fraser valley. One of the Quebec members had a resolution on the order paper concerning river bank erosion on the St. Lawrence. In my own district river bank erosion is the most important thing facing us. I am not talking about harbours now. In the old days the municipality or local authority could care for this, but surely the minister realizes the problem has gone far beyond the ability of the local authority to cope with. He must realize that from his experience in his own district across the river. I thought the minister said, and I should like to be corrected on it, that the request must come from the provincial authority if assistance is required in connection with river bank erosion?

Mr. Fournier (Hull): Our department undertakes certain works when they affect our own federal works or if the damage is caused by our own work or by navigation. That is a clear principle. People suffer from floods or high water or storms, and we believe it is the responsibility of the municipality to cope with the situation. They generally address themselves to the parent who created the municipality, and that is the provincial government. If it is a disaster

of national character and of such importance that the province just cannot cope with it, then the province asks the federal government for help. That is what happened in the Fraser valley flood, in the Winnipeg flood and the Rimouski and Cabano fires. I do not know of any other incidents. We have no direct relationship with the municipalities. They are not our creatures at all. When they have complaints to make they address themselves to the provincial government.

Mr. Cruickshank: I am afraid the minister did not quite understand me. I am not complaining about the generous treatment we received in so far as the floods were concerned, from both the federal and provincial governments. Unlike the member for Broadview, I am not trying to promote anybody at all. Unfortunately we have no government in British Columbia, so I am promoting nobody out there. However, the Canadian National Railways is one of the most valuable assets of the people of Canada. Am I to understand that in this modern day and age the local municipality—I am not talking about floods or diking now but the natural erosion which occurs every year—is expected to pay the cost of preventing future river bank erosion such as that which occurred within the last ten months within one hundred yards of the great Canadian National right of way? Is the municipality expected to protect the farmers of the Fraser valley, to protect the Canadian National Railways as well as the investment of the Minister of National Defence of over a million and a half dollars in this area? Am I to understand that is the responsibility of the local municipality, with a revenue of perhaps $60,000 a year?

From a selfish point of view, I shall tell you the first thing I would have done if I had been Minister of Public Works and the member for that little district across the river, a very enjoyable district. I would have built a dam around that new $2,500,000 building we have been putting up over there, and which has been flooded. I cannot understand why, in this day and age, the Minister of Public Works should tell me it is the responsibility of the local authorities to protect the Canadian National Railways and the investment of the Department of National Defence in a secret naval station. I could tell you what it is. The hon. member for Vancouver South can talk about canoes, but the interceptor station for the whole Pacific coast, in case of a Russian invasion, was endangered within the last ten months by the falling away of a bank. Am I to believe it is the responsibility of a little municipality with a revenue of $50,000 or $60,000 a year to protect the Canadian National Railways? One hundred feet of erosion would tie up the whole Pacific coast. It does not make sense to me. I have asked the minister a direct question. Is it the responsibility of the provincial government to make application? Obviously the municipalities cannot apply to the federal government.

Mr. Fournier (Hull): I have stated the general principle, Mr. Chairman, and that policy was announced in the house by the Prime Minister himself. In answer to the hon. member I may say that the Department of Public Works was not set up to protect national defence or the Canadian National Railways. They have their budgets, and they have their obligations. They should protect themselves, and I think they do. Why ask the public works department to do everything that can be done in the country, when it is only one of the departments of government acting under a special statute setting out its jurisdiction? I could be the protector of orphans, the Canadian National Railways and all these works, but they do not come under my department.

I think the member for Vancouver-Quadra was right—

Mr. Green: Do not drag me into this fight.

Mr. Fournier (Hull): —when he said I was too soft, and that members asked me for all kinds of things. They do not come under my department. To be polite, I am ready to help. If you want me to see someone from the Canadian National to ascertain if they will protect their own property, I can do that. But do not ask the Department of Public Works to take a responsibility which does not come under the department at all.

Mr. McLure: Before making my few remarks I should like to make a suggestion to the minister once again. I made one last year, in fact I have made several of them. Whenever the Department of Public Works has men whom they are proud to bring on the floor of the house, I think those men should be introduced to the house. We permit them to come in here to assist the minister, and every time he has new assistants he should introduce them to the house. I know some people near me have asked who these gentlemen are. I happen to know one of them fairly well, perhaps better than he wants to know me. Apart from that, I believe this should be done for the benefit of members who might not have had the opportunity to know these gentlemen.

I want to say that I was rather amazed when the hon. member for Vancouver-Quadra said that he was greatly concerned over the public works department. I wonder how

many headaches he would have had if he had had as much to do with the public works department as I have in the last five years, in requesting the construction of a building in Charlottetown known as a post office. Imagine the headaches the member for Vancouver-Quadra would have had if he had had to follow that scheme as I have tried to follow it. Still, I am getting good promises.

I believe those promises will be fulfilled. The minister has been praised tonight as the builder for all the departments, or as the public works man for all the departments. In our case I am afraid he is not even a demolisher of property, because he and his department have bought a new site for a building they have promised to erect there. They have bought a great deal of property. I understand they have paid for nearly all of it; perhaps they have paid for it all. Now they have become land owners, or property owners, and are renting the property. I suppose they are making quite a good revenue out of it. I know that some of the tenants are paying fairly high rents. The department have a man down there collecting the rents. They are really in the rental business down there.

There is an election coming on next year or probably the year after. What I have been urging them to do is demolish these old buildings and have the site all ready for the new federal building they are going to build there. Time after time we have men down there approaching members and asking them for work. The work they could be doing right now would be demolishing these buildings. The department could get that work done now for a good deal less than it will cost later on when they start to build in a rush. Moreover, by doing it now it would give employment to men who need it today.

So much for the post office. I have been told that we are going to get it. I believe the minister will make good on that promise, because he must make good fairly soon. I know it is going to arrive just in the nick of time, just before the next election.

There was another matter that was mentioned here tonight. I am not going to speak on it now but I just want to say to the Minister of Public Works and to the aides he has with him that I am going to speak on harbour improvements at the appropriate time and also on the building of a marine railway slip, which is another matter to which I have directed attention time and again. There is no disputing that it is a matter that is under this department, because it is for the benefit of the harbour. However, there is an item for that project, and I shall speak on it later. I just want to remind the minister that we still have his promise about the post office. I feel certain that he will build it. When he will do it is something which it will be up to him to tell us, probably tonight.

Mr. Browne (St. John's West): There are three items of a general nature that I should like to speak about at this time. One is in connection with the wharf at Portugal Cove. That is a matter which has been raised on several occasions, and on each occasion the minister has said he has no responsibility. I understand that lately there have been conferences between representatives of the provincial government and the federal Department of Public Works on this subject. Portugal Cove is a vital link between the city of St. John's and Bell island. Bell island is the site of the iron ore mines from which between 2 and 3 million tons of iron ore are shipped to the United Kingdom, Germany and Sydney annually. It is an extremely prosperous community. Portugal Cove on the mainland is the place where people have to take a boat and where goods have to be put on board ship to be brought to Bell island.

It seems to me the Department of Public Works should take responsibility for that wharf. There is a tremendous amount of traffic going over it. The great earning power of Bell island is a source of revenue that comes to the federal government through customs and excise duties, sales tax and income tax. There is a big trade between St. John's and Bell island. I should think all of this would be sufficient justification for the minister to say "We will go ahead and we will fix that wharf" and not only fix it but make a decent harbour there. When the princess was there last year, those who have seen the picture "Royal Journey" will remember how rough it was when they were taking the tug to board the liner to take them across the ocean. It is a dangerous harbour in rough weather. There is a big rock right out in front of the wharf. Notwithstanding all the revenue that is pouring into the federal government from Bell island they have not spent any money in connection with it up to the present time. I urge the Minister of Public Works to reconsider his attitude in that respect.

The second matter about which I wish to speak is another hardy annual that has been brought up for consideration each year. I refer to the public building for St. John's. The minister and his officials have been looking around for three years for a site for a public building for St. John's and each year there has been a vote or a revote for that purpose. When the minister is good enough to reply, I should like to know what progress he has made with regard to selecting a site for the public building at St. John's. It

is certainly necessary there. The various departmental offices are all over the place. If he carries out the policy he has adopted elsewhere, he will have a public building erected.

The third point I wish to bring to his attention is in connection with the dredging of the smaller harbours in Newfoundland. Dredging has been going on to a considerable extent in the constituency represented by the Secretary of State, particularly at Bonavista where hundreds of thousands of dollars have been spent not only on dredging but on other matters as well. The same thing applies with respect to Grand Bank and Fortune. At these three large settlements dredging has been done. But none has been done in the smaller places, where the fishermen are practically obliged to pole their way in at high water only, such as Renews of which I have spoken half a dozen times here when the estimates have been before the committee. Can the minister not say that something is going to be done for Renews this year? The vote is provided. So will he see that the work is done? It is still a question whether it is going to be done or not, because a dredge may not be sent there.

Mr. Fournier (Hull): The hon. gentleman has mentioned three subjects. The first was Portugal Cove. Our difficulties started there because it would be a wharf for the ferry crossing over to the island. This department does not build wharves for ferries, but it builds wharves for the general public use. I am told that my officials down there are negotiating with the province in order to see whether we can come to an understanding with regard to putting up the real facilities that are necessary. If we come to an agreement and have a joint project down there, I think we would go right ahead with it. We have not yet reached that agreement.

As to sites, may I say that I have heard a great deal about a site for that public building at St. John's. I am having trouble in getting a meeting of minds with regard to a site. Personally I favour the Paddock site on government property, which has been recommended to me even by a delegation sent down to St. John's some years ago, on which was Mr. Norman Robertson, clerk of the privy council. I personally spoke with the premier of Newfoundland and he was all ready to sell us that site; but to date, though I have written to the premier to ask what price he wants for it, I have not received an answer. I could hardly conclude that deal without having an answer from the premier of Newfoundland. With my usual patience, I am awaiting an answer from the premier with regard to the price he wants for that site.

As to dredging, may I say that we had a new dredge built for the use of the island and for doing dredging in these smaller harbours; but there was a great deal to be done in Newfoundland when it came into union. We have done a considerable amount of work on that island and in the harbours since Newfoundland joined with us. But we cannot do the whole works in one, two or three years. There are 6,000 miles of coast line around that island, and people are living along that coast line. A great many of them are fishermen who expect facilities such as wharves, breakwaters, harbours and dredging. Each year we do a certain amount of that work.

We are still young enough, both the hon. member who put the question and I, that we will see the day when all those harbours will be perfect, and probably the population will be up.

Mr. Browne (St. John's West): I should like to reply to the first point raised by the minister in connection with this wharf. He speaks of it as a ferry wharf, and because it has so much traffic it is not a place in which the Minister of Public Works considers he should take any interest. Yet he knows that he is spending hundreds of thousands of dollars on other wharves where the traffic will not be one per cent of what it is at Portugal Cove. That is not only in Newfoundland, but in other parts of the maritime provinces.

Mr. Fournier (Hull): Name me one place.

Mr. Browne (St. John's West): I will name two of them, where the total population is not 300, and where you are spending half a million dollars.

Mr. Fournier (Hull): Where is that?

Mr. Browne (St. John's West): At Chance Harbour and at Lorneville in New Brunswick. He is spending $280,000 in one place and $200,000 in the other. I took the trouble to look up the population of those places. I could not find it myself. I searched in the library, and they did not have the population. The dominion bureau of statistics spent a week trying to find out what the population was.

But there are 10,000 people living on Bell island, and they are doing a tremendous trade as I said before. Yet the minister says this is a ferry wharf. What is the wharf at Digby? Is that not a ferry wharf? Why are you spending money on the wharf at Digby? There is not half as much trade over the wharf at Digby as there is at Portugal Cove.

Mr. Fournier (Hull): Now that you have given your story, I will tell you this. I have explained that this is a wharf for ferry purposes. If you can tell me that at Chance Harbour in New Brunswick we are spending that amount of money for ferry wharf purposes, then I will have to admit that I was wrong.

Mr. Browne (St. John's West): I did not say it was for ferry purposes.

Mr. Fournier (Hull): I am telling you that Portugal Cove is a ferry proposition, and you know what the premier said against my engineers down there.

Mr. Browne (St. John's West): That has nothing to do with it.

Mr. Fournier (Hull): Oh, yes, it has. They have their obligations and we have ours.

Mr. Browne (St. John's West): That is a personal matter.

Mr. Fournier (Hull): No, it is not; it is a public matter.

Mr. Browne (St. John's West): No.

Mr. Fournier (Hull): If the ferries in a province are under my jurisdiction, I will build wharves. If they are not, the provinces will undertake it, and it will not be for the federal government. Sometimes I get tired of being blamed for everything that is going on in the country, when all the time I am doing my best to help satisfy everybody. If you are speaking about Chance Harbour, just let me tell you what the story is about Chance Harbour. I do not know all the places in this country, but it appears that Chance Harbour is in the riding of Saint John-Albert. The cost is stated at $280,000. This item provides for the construction of a breakwater to replace the existing structure which can no longer provide adequate shelter and landing facilities for fishermen at this port. Now, I suppose you want me to help the fishermen, do you not?

Mr. Browne (St. John's West): How many fishermen are there?

Mr. Fournier (Hull): Oh, let me finish. Let me give my story; you have given yours. The sheltered area behind the existing breakwater is dry at low water and is exposed to the easterly winds, affording little if any protection to fishing boats in storms. The lack of proper landing and mooring facilities at all stages of the tide has retarded the development of the fishing industry and has seriously hampered the activities of the winter seining fleet of the herring fishery.

It is proposed to construct a creosoted timber breakwater 330 feet long by 25 to 40 feet wide, with a timber trestle approach 210 feet long by 60 feet wide. The estimated cost is $280,000, and the work is to be done by contract. This was requested by Hon. R. W. Mayhew, Minister of Fisheries, in a letter dated January 11, 1949.

Mr. Browne (St. John's West): What has all this to do with it?

Mr. Fournier (Hull): I am going to give you the story. You wanted to know, and I want to tell you my story. Mr. Stewart Bates, deputy minister of fisheries, in a letter dated May 3, 1950, states as follows:

Referring to your letter of April 4 asking for an expression of opinion on the justification for an expenditure at Chance Harbour—

And it will be noted that before we act we get the opinions of experts in these matters.

—to improve landing facilities and sheltered mooring for fishermen at that port, I would advise you that a report from the chief supervisor furnishes the following information:

Number of fishermen operating out of this port—33.

24 motor boats valued at	$ 9,072
35 rowboats valued at	1,225
5 herring scale boats valued at	1,000
64	$11,297

It will be noted that there are 64 boats going in and out of that harbour. We are advised that the existing breakwater is inadequate. During low water, for about two hours, boats are unable to get through the breakwater. The harbour is exposed to easterly winds and gets exceptionally rough during a storm, the present breakwater affording little if any protection.

I have three or four pages of this report, in which are set out the opinions of people who know something about the fishing industry, in which they ask the Department of Public Works to do this work. What would you answer to these poor fishermen at Chance Harbour?

Mr. Browne (St. John's West): Do you want an answer?

Mr. Fournier (Hull): Yes; I am sure you would give the same answer I would.

Mr. Browne (St. John's West): The minister has given us the information in connection with building a breakwater at a village where there are 33 fishermen. Remember, 33 is the number.

Mr. Fournier (Hull): Fishing boats.

Mr. Browne (St. John's West): But there are more than 33 fishermen at Portugal Cove who use this wharf.

Mr. Fournier (Hull): I never told you that you did not have a case; but I have told you the difficulties we have. State your difficulties, and we will see what we can do about it.

Mr. Browne (St. John's West): It is the federal government which takes the responsibility for the wharves.

Mr. Fournier (Hull): Not all the wharves.

Mr. Browne (St. John's West): Let us suppose there were a catastrophe, which I trust will never occur. If Bell island were to sink beneath the waves, there would still be the boats of fishermen at that wharf at Portugal Cove. The federal government would then have to take an interest in it. But because there is some difficulty with the province the minister says his department should not take an interest in it. I repeat that the minister should take an interest in it, and a complete interest.

Mr. Hodgson: I should like to ask a very simple question that I think will make the minister feel good. On September 7, I believe it was, I received a letter from his department granting a dock on the Gull river at Minden, Ontario. I was wondering how soon the department would begin work on the building of that dock.

Mr. Fournier (Hull): If it is a project under $5,000 it comes out of the general vote which the hon. member will see in the estimates. Items under $5,000 are not specified. If the hon. member has made a good case, then as always the Department of Public Works will do the work. But make a good case, and have the right approach to it.

Mr. Hodgson: I was wondering if the work could be started before too long. It is about a year since it was granted.

Mr. Fournier (Hull): I said that sometimes we do not act very quickly, but when we do something it is well done.

Mr. Hodgson: That is fine, thank you.

Mr. Macdonnell (Greenwood): It is seldom I am able to assist the minister, but when I get a chance I like to do so. I do not like to let it slip. It happens that I have gone a good many times from the wharf at Portugal Cove, on Bell island, and I am able to underline everything my colleague has said about the big rock just off the wharf. I do hope the minister will be able to make a careful review of the serious representations which have been made.

Mr. Fournier (Hull): You may be sure I will. However, I do not like a member making comparisons with works at some other place which were justified, when he is pleading for his own town. I do not think it is the right approach to the question at all.

Mr. Browne (St. John's West): It is not my town, at all.

Mr. Macdonnell (Greenwood): He is just enthusiastic.

Mr. Balcer: I might tell the minister that I nearly ran a ship on the same rock during the war.

Item agreed to.

331. Branch administration, $506,848.

Mr. Green: Now, speaking about rocks—

Mr. Fournier (Hull): Oh, don't speak about Ripple rock.

Mr. Green: Can the minister tell us whether his department has taken any steps recently with regard to the removal of Ripple rock?

Mr. Fournier (Hull): We became discouraged with the project and have dropped it for the time being. I do not know what my successor may do, but for the time being we are not undertaking the removal of that rock.

Item agreed to.

Architectural branch—

331. Branch administration, $506,848.

Mr. Green: Does the Department of Public Works do any building research work?

Mr. Fournier (Hull): We get advice from the national research council, and when any research is to be done they handle it.

Mr. Green: That is research work in connection with types of buildings.

Mr. Fournier (Hull): That is correct.

Item agreed to.

332. Ottawa—maintenance and operation of public buildings and grounds, including repairs, and upkeep, rents, furnishings, heating, etc., and to authorize commitments against future years in the amount of $500,000, $12,112,418.

Mr. Fraser: On a number of occasions I have asked the minister what progress is being made in regard to the abatement of the smoke nuisance in Ottawa.

Mr. Fournier (Hull): A firm in Toronto has developed a system which apparently is successful in that city, and in the near future we may give this system a trial.

Mr. Fraser: I am glad the minister is going to do that. Smoke from the heating plant the other side of the supreme court building is not only spoiling the face of that building, it even comes into this building and dirties things up quite a lot. It is a shame that a beautiful city like Ottawa should be faced with such a smoke nuisance. Is anything

being done with regard to parking facilities back of the supreme court building?

Mr. Fournier (Hull): Not long ago a bill was passed in the house to control traffic and parking on government property, and regulations will be passed under that bill by the governor in council.

Mr. Fraser: I was referring to the improvement of the parking space at the back of the supreme court building. The number of cars is increasing every day, and I am wondering if some improvement could not be made.

Mr. Fournier (Hull): I shall ask my officials to look into that.

Mr. Low: I do not want to cause the minister any trouble, because he has plenty, but I should like to know what progress is being made with the public building at Grande Prairie. Is it expected to have the building completed this year?

Mr. Fournier (Hull): A contract was let on September 12, 1951, to the Poole Construction Company Limited of Edmonton, who were the lowest tenderer at $207,283. There were three tenders, the highest being at $249,000. I do not know the present state of the construction, but the contract was let some time ago.

Mr. Low: I understand that they are making good progress with the building. I notice it was necessary to revote $25,000 of last year's appropriation.

Mr. Fournier (Hull): They have not reached the stage where progress payments are justified for that amount and we have to carry it over as a revote.

Mr. Low: I was merely wondering if there was any hope that it would be completed this year. I want to thank the minister for having made that appropriation. The building was certainly justified. Has the minister received any recommendation with respect to a post office building at Fairview?

Mr. Fournier (Hull): We get requests from the Post Office Department graded A, B, C and D according to urgency, and we generally follow their advice.

Mr. Green: This vote covers a rather substantial amount, over $12 million for the maintenance and operation of public buildings and grounds in Ottawa, and to authorize commitments against future years in the amount of $500,000. Why is that provision included?

Mr. Fournier (Hull): If we undertake works and order goods which cannot be delivered during the fiscal year we must commit the government, but those commitments are limited to $500,000. The comptroller of the treasury checks every commitment we make and when we reach a certain amount we are not permitted to go any further.

Mr. Green: Is that over and above the amount of the vote?

Mr. Fournier (Hull): That is right.

Mr. Green: The details on page 392 indicate an increase in repairs and upkeep of buildings, including materials required therefor, from $1,537,050 to $2,561,005. Why is there such a large increase?

Mr. Fournier (Hull): We are making some repairs to buildings that have been neglected. In fact there have been accidents because buildings were not in good repair. This year there is an unusually heavy program of repairs and upkeep of buildings in Ottawa and this allotment has been increased by $1,023,955. Included in this increase is an amount of $345,000 for repairs of stonework, cornices and pointing of various buildings. There is also a good deal of work to be done in the parliament buildings, including extensive repairs to plumbing, pointing, stonework, the roof and electrical work. A considerable number of alterations and repairs to buildings will be necessary when new buildings are completed and vacated space is reassigned. We are making some expenditures this year and this increase is due to the fact that many buildings were far from being in a good state of repair. We have even had some serious accidents on account of the condition of the buildings, and it was thought this was an appropriate time to make repairs.

Mr. Green: Then there is an increase in rentals in Ottawa from $1,175,000 to $1,560,000. That is an increase of about $400,000 in rents for one year.

Mr. Fournier (Hull): An increase of $385,000.

Mr. Green: Why was that increase necessary?

Mr. Fournier (Hull): Provision for rents has been increased by $385,000 to cover twelve new leases and increases in eighteen existing leases. The allotment for acquisition of equipment and repairs to equipment has been increased by $68,300. The allotment for light, power and water has been increased by $133,215 to provide for new buildings now nearing completion. The allotment for taxes on diplomatic properties has been increased by $10,000. The allotment for freight, express and cartage has been increased by $3,000 and the allotment for rental of sound reinforcing equipment for

the House of Commons for the next six months is an amount of $3,750. The total amount is $603,265.

Mr. Green: Increase?

Mr. Fournier (Hull): Increase.

Mr. Green: With respect to the sound reinforcing equipment for the House of Commons, does that mean the loudspeaker system for the house? When is that to be installed?

Mr. Fournier (Hull): The moment we can get out of the house. I am told they are making the castings for the loudspeaking and receiving microphones which will be on each desk. I understood they will start work a week or ten days after prorogation. On Tuesday at one o'clock we even had a meeting of Mr. Speaker's committee at which the chief architect of my department gave explanations.

Mr. Green: Is it the intention to have the system installed for next session?

Mr. Fournier (Hull): That is in the contract, and they have assured us everything will be ready for the next session, whenever that will be.

Mr. Green: What will be the cost of that installation? I do not see it anywhere in the estimates.

Mr. Fournier (Hull): The installation cost is $35,000. I have not the contract here, but I recall that I tabled and read a part of the contract that was entered into with Tannoy of London, England, and Cossor of Halifax, their agent. When we negotiated the deal for the installation, maintenance and operation of this system they undertook to have it ready for the next session.

Mr. Green: Can the minister tell us the approximate cost?

Mr. Fournier (Hull): The cost of installation is $35,000 or $37,000. We are paying a rental of $7,500 a year and we pay for the operators, but they have the whole responsibility of maintaining the system in a good state of repair and operating it to the satisfaction, we hope, of the majority of the members.

Mr. Green: What is meant by this item for taxes on diplomatic properties?

Mr. Fournier (Hull): Ever since we have had an external affairs service we have paid the city taxes on their properties and they reciprocate in the countries where we have ambassadors or ministers.

[Mr. Fournier (Hull).]

Mr. Hees: I should like to ask the minister a question I have been wanting to ask ever since I came here. Why is it necessary to cover up the windows of this chamber with canvas so that even on a bright day the inside of the chamber resembles the inside of a tomb? Why can we not take the canvas off and have a little sunshine?

Mr. Fournier (Hull): It was recommended years and years ago to help the acoustics of the chamber. I am told when the canvas is not there the acoustics are far worse than they are now.

Item agreed to.

333. Maintenance and operation of public buildings and grounds, other than at Ottawa, including repairs and upkeep, rents, furnishings, heating, etc., and to authorize commitments against future years in the amount of $800,000, $18,273,243.

Mr. Green: This is another large item of over $18 million with an increase of almost $2,500,000. Will the minister give some explanation of the increase?

Mr. Fournier (Hull): This is the maintenance item. There is an increase of $2,432,228. Statutory increases in salaries amount to $60,789; reclassifications, $9,520; increases in prevailing rates, $101,674; positions not provided for in 1951-52, $59,401; salary revisions (underestimated 1951-52), $139,354; positions omitted in 1951-52, $11,399; increases in rates of pay effective December 1, 1951, $303,000. There is an increase in the allotment for the purchase of office furniture including desks, chairs, tables, filing cabinets for all government departments. The allotment of $850,000 requested for 1952-53 is an estimate based on expenditures for the fiscal year 1951-52. Then there is an amount of $20,000 for telephones and telegrams, $13,000 for postage, $40,000 for freight, express and cartage and $85,000 for moving government departments and services.

Mr. MacLean (Queens): Under this item I see that expenditures in Prince Edward Island have decreased from $624,799 in 1951-52 to $171,000 for the coming year. Would the minister explain the reason for that?

Mr. Fournier (Hull): Probably we had more repair work last year. We have made those repairs and this year we need less repairs. I have only one thing in mind in that province now, the public building in Charlottetown. Whenever we can erect it we will also have to increase the amount to maintain it.

Item agreed to.

Acquisition, construction and improvements of public buildings—

Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings listed in the details of the estimates, provided that treasury board may increase or decrease the amount within the vote to be expended on individual listed projects—

334. Newfoundland, $700,000.

Mr. Browne (St. John's West): Can the minister tell me the estimated total cost of the public building at Bonavista? It must be nearly finished now.

Mr. Fournier (Hull): The contract was awarded on the 1st February, 1951, by public tender. The lowest tender was made by the North Shore Construction Company in the amount of $257,232. The highest tender was $387,450. It goes without saying that we gave the contract to the lowest tenderer.

Mr. Browne (St. John's West): Is $257,000 the amount that will be spent?

Mr. Fournier (Hull): It is a firm price contract. That is the price of the contract.

Mr. Browne (St. John's West): Have there been any extras in connection with that building since the contract was awarded?

Mr. Fournier (Hull): I have nothing in my book for extras.

Mr. Browne (St. John's West): There is $272,000 provided now. That is $15,000 over the amount the minister mentioned.

Mr. Fournier (Hull): I am told that outside of the contract, which did not cover the grading and the fixing of the grounds, this amount is to be used.

Mr. Browne (St. John's West): The other question I have to ask is: What is the position with regard to the customs building? There was $100,000 voted last year and that sum is revoted now.

Mr. Fournier (Hull): That is in St. John's?

Mr. Browne (St. John's West): In St. John's.

Mr. Fournier (Hull): Proposed work and estimated cost; pending final selection of site, plans and specifications for the proposed building have not yet been delivered and full cost for the entire building is not yet available. However it is estimated that $100,000 will be sufficient to meet the requirements for 1952-53 for site and plans. This is requested by customs, and I am told that we have not bought the site as yet.

Item agreed to.

335. Nova Scotia, $1,250,000.

Mr. Gillis: I would like to ask the minister a question on this item. In the details on page 396 there is a revote of $15,000 and also an item of $100,000. I would like to ask the minister if that is an appropriation for the beginning of a public building at Sydney, Nova Scotia. Whether or not I will pursue the subject further depends on his answer.

Mr. Fournier (Hull): This amount is to provide toward the erection of a proposed new public building to accommodate post office, customs, and mounted police. The existing building, which was erected in 1889, is in poor condition throughout and does not provide sufficient space for post office and customs. Total estimated cost is divided as follows: site $28,000; building, $430,000; supervision and contingencies, $42,000—these are estimates, amounting to nearly a half a million dollars.

Mr. Gillis: I want to thank the minister for that information; but I would suggest that while he states it is to house the post office and the customs, in addition there are about four other federal department offices in that city for which you pay rental of $50,000 a year. You might as well make the building big enough to house all those federal offices under one roof.

Mr. Fournier (Hull): We will consider that.

Mr. Black (Cumberland): I am interested in these appropriations for Nova Scotia. I have two main complaints, one of which is that some of the localities have been looking for public buildings and no provision appears to have been made for them. I refer to such places as Pugwash, River Hebert, and Wallace. I also take some objection to the delay in getting these buildings constructed. They have been in the estimates in previous years and appear in the estimates being passed by the committee, at the present time, yet no headway is apparently being made. There is the item just referred to by the hon. member for Cape Breton South, and there are other appropriations here; but it does not seem to me that the department is considering the erection of those public buildings.

I would like to ask the minister how many of those projects are actually under construction or under contract at the present time. Fourteen of them were apparently lifted, and the total vote is $1,610,000. I would ask the minister how many of those projects are actually under construction at the present time or on how many is it expected that work will be started in the summer of 1952.

Mr. Fournier (Hull): The first one is the Antigonish public building. That one is not under contract yet. Next is the Bridgewater public building. That one is under contract to Rodney Contractors Limited, $83,095.

Next is Halifax—addition and alterations to customs building. Sketch plans were prepared and those were approved by the customs division. When these estimates were being prepared contract plans and specifications were nearly complete, and an early call for tenders was anticipated.

Mr. Black (Cumberland): Do I understand tenders are being called for the Halifax customs building?

Mr. Fournier (Hull): No, plans are being prepared.

Mr. Black (Cumberland): My complaint is that $100,000 was provided last year but no progress has been made, and that amount is now being revoted by this committee. The request is being made that it be revoted. I would ask the minister why when that sum of $100,000 was provided last year no headway was made.

Mr. Fournier (Hull): I would not say no headway has been made. Plans and specifications are being prepared.

Mr. Dickey: As I have some personal knowledge of this matter perhaps I might say a word. This vote which is for $250,000—$100,000 being a revote—is for addition and alterations to the customs annex building at Halifax. This is a building that is used in connection with the reception of very large numbers of immigrants coming into this country through the port of Halifax. The building is located on national harbours board property and is in the vicinity of the sea wall—piers 20, 21, and 22—and in the vicinity also of the Canadian National Railway station at Halifax and the freight yards in the area of the station.

The delays which have been occasioned are regretted I know by this department, by the department of customs and also by the Department of Citizenship and Immigration. However, having been in constant communication with the three departments mentioned, I know the reason for the delay has been the difficulty in getting agreement with respect to the location and actual addition to the customs annex building, the relocation of the railway tracks in the area, and provision of the necessary facilities without unduly hindering the other activities of the national harbours board and the Canadian National Railways. They have been difficult problems and I know that certainly the Department of Public Works has not been solely responsible for the delay.

I am glad to say that I think all of these difficulties have been ironed out and work is going ahead.

The Deputy Chairman: Shall the item carry?

[Mr. Fournier (Hull).]

Mr. Black (Cumberland): No. Does the minister have some further information to give us respecting these other projects in Nova Scotia?

Mr. Fournier (Hull): The postal station at Armdale—

Mr. Black (Cumberland): That has now been before the house for several years.

Mr. Fournier (Hull): I have a note here that tenders were supposed to be called for that in June, but as we are nearly through June I expect he will be calling for them in July. There is the Rockhead immigration hospital, alterations and repairs, $150,000, to complete the contract of T. P. Lusby and Company Limited, at $152,085. The next one is the workshop and storage building, $50,000.

Mr. Black (Cumberland): Will the minister state what kind of repairs and improvements were made to the Rockhead immigration hospital?

Mr. Fournier (Hull): Here is what I have. Strong representations were received from the Department of National Health and Welfare with regard to the urgent need for extensive alterations and additions to the plumbing, heating and ventilation systems at the Rockhead hospital. Plans and specifications were prepared and a contract was awarded in October, 1951, the expenditure in 1951-52 being chargeable to the vote for maintenance and operation. An order in council dated October 3, 1951, granted authority to enter into a contract with the lower tenderer, T. P. Lusby Company at Halifax. There were two tenders. One was $152,085, and the other was $162,260. I understand this work is proceeding.

Mr. Black (Cumberland): Can the minister state the names of the two tenderers?

Mr. Fournier (Hull): Yes. One was T. P. Lusby and Company Limited, which had the lower tender of $152,085. The second was Barrett and O'Regan, who had a tender of $162,260.72.

Mr. Black (Cumberland): What about this other proposal for the public building in Liverpool, $100,000? Is it proposed to proceed with that?

Mr. Fournier (Hull): A site for the proposed building, known as the Elmwood hotel property, on Main street, was acquired in 1948 through War Assets Corporation. The existing building was erected in 1898-99. It is proposed to erect a two-storey structure, 70 feet wide by 80 feet long, with basement, concrete foundations, masonry walls, brick

facing, stone trim and felt and gravel roofing. The total construction cost is estimated at $190,000 for the building, $12,000 for boxes and fittings, $5,000 for grading and sidewalks, $3,000 for supervision and $15,000 for contingencies, the total estimated cost being $225,000. This year we have asked for $100,000. This building is for the customs and excise division and the Post Office Department; and we have not asked for tenders as yet.

Item agreed to.

336. Prince Edward Island, $175,000.

Mr. McLure: The hon. member for Queens has mentioned it before, but I just want to draw the attention of the minister to the fact that out of nearly $35 million for new buildings, Prince Edward Island receives only $175,000. It seems to be a very small amount, but when the minister builds the new public works building down there, it might be all right. We may have a bigger item next year.

Mr. MacLean (Queens): In connection with item 336, I presume the plans have already been drawn for the proposed public building in Charlottetown?

Mr. Fournier (Hull): We have not taken on a firm of architects. We shall have to have an outside firm, and I am consulting on that. This $50,000 goes for that.

Mr. MacLean (Queens): Could consideration be given to the advisability of providing a separate building for the offices of the Department of Agriculture, which I believe were supposed to be housed in this building? If a separate building could be provided adjacent to the new science services building somewhere near the experimental farm, it might provide for greater efficiency in the department.

Mr. Fournier (Hull): We can consider that.

Item agreed to.

338. Quebec, $9,741,000.

(Translation):

Mr. Denis: I understand this includes an expenditure for the construction of a post office: Youville station in Montreal. Could the minister tell me whether the site chosen is still the same and if the work is to be undertaken soon?

Mr. Fournier (Hull): This is a property situated at the corner of Cremazie boulevard and Drolet street, consisting of six subdivisions of lot No. 2643, comprising subdivisions Nos. 2368 and 2369 belonging to Mr. H. Campeau and purchased at a cost of $6,462, subdivision No. 2367, belonging to Mrs. Bernadette Laframboise and purchased at a cost of $4,374, and subdivisions Nos. 2370, 2371 and 2372, belonging to Mr. Gerard Bouthillier and purchased for $38,585.

The post office will be erected on these lots.

Mr. Denis: Thank you.

(Text):

Mr. Balcer: There is an item for a public building in Joliette, for which there is a vote of $155,000. Is that the same building for which a contract was awarded without tender?

Mr. Fournier (Hull): Oh, no. That is what you are saying in the province, but we did ask for tenders.

Mr. Balcer: That is not what the auditor general said.

Mr. Fournier (Hull): The auditor general said we did ask for tenders, and then we extended the building at the request of the Post Office Department. I know what is being said about that building in my province. It was mentioned at a meeting in Joliette not long ago. I know the whole story about it. This amount is required to complete the contract with Alphonse Gratton Incorporated for the construction of an addition and for alterations to the public building at Joliette. The work under contract was requested by the deputy postmaster general who reports that the provision of additional space for postal purposes at Joliette is most urgent, as the post office is now overcrowded and congested. The addition to the building will provide additional space for the postal and customs services, and accommodation for the unemployment insurance commission, the Royal Canadian Mounted Police and the Department of Agriculture.

The work under contract consists of the construction of a basement and two-storey addition approximately 87 feet by 78 feet and extensive alterations to the existing building. The original amount of the contract was $179,182. The mounted police and the unemployment insurance commission, when we started that building, asked for an addition, the authorization for which was given at the same unit prices to the same contractor for $186,049. The addition to the site was purchased by expropriation at a cost of $41,000. Supervision and contingencies amounted to $18,381. The plans were prepared for post office use, and the mounted police and unemployment insurance had their offices there. Here we have complied with the principle of centralizing our offices which was mentioned tonight by the member for Cape Breton South. The same contractor, at the same unit prices, extended the building to house the mounted police and unemployment insurance offices. There has been more noise about that building than any other in the country.

Mr. Balcer: I wonder if the minister has read the report of the auditor general about this?

Mr. Fournier (Hull): The auditor general took it as an extra. If I had been a witness before the auditor general I would have explained that the same unit prices were extended by the same contract. We could not ask for tenders, because the first portion of the wall that was there would not exist with this extension and we got about the best conditions a man could get. This tender was the lowest when we called for public tenders.

(Translation):

Mr. Langlois (Gaspe): Moreover, the building did not fall, as did the Three Rivers bridge.

(Text):

Mr. Balcer: The fact remains that the auditor general criticized the department for giving a contract without calling for tenders.

Mr. Fournier (Hull): The auditor general is a friend of mine, and he is a high official. I receive his opinion and I even ask his advice. He has his officials in my own department under the comptroller of the treasury. We do not move without seeing these people. The law forbids us to do so. My practical advisers have told me, in this instance, that in the public interest we could not ask for tenders for this extension whilst the first contract was under way. Sometimes I should like to take everybody's advice except that of my own advisers; but I cannot see how I would run the department if I did not follow their advice in technical matters at least.

Item agreed to.

339. Ottawa, $7,945,000.

Mr. Fleming: There are several features of this item concerning which I should like to ask the minister certain questions. I think I might as well deal with them all together while I am on my feet.

The item proposes works within the city of Ottawa totalling approximately $8 million. This will mean more buildings owned by the crown in the right of the dominion within the city of Ottawa, thus creating a greater burden on the municipality in the way of providing services. In view of this increase in federal buildings in Ottawa I should like to ask the minister whether any increase is contemplated in the present federal grant to the city of Ottawa. That is the first question.

The second matter has to do with an item on page 399, "Sound reinforcement system for the House of Commons, $35,000" of which $15,000 is a revote. Can the minister tell the committee what progress is being made with that interesting project which has been on foot for so long?

Mr. Green: He gave that information.

Mr. Fleming: I am told that the minister made a statement on that matter earlier.

[Mr. Balcer.]

The third matter arises out of the fact that a good many of the items here are works to be undertaken for other departments. I take it that in no case is any of this property to be taken under lease. It raises a point which was before the public accounts committee at a meeting last week, when the deputy minister of public works appeared in connection with several items in the report of the auditor general. In the course of his testimony he expressed the opinion that in this respect the present system, which has been in vogue for a long time, is not sound, and that it would be much better if all the departments were charged rent on the property they occupy. He expressed the opinion that by such procedure there would be a much truer accounting as between different departments, in the first place, and in the second place there would be more of a check against departments asking for or retaining space beyond their strict requirements.

The fourth matter I should like to mention under this item relates to work of the department in connection with research. I am aware that earlier this evening the minister stated that all research work for the department was done by the national research council and that none is done within his own department. My information—and I have no doubt as to its accuracy—is that there is research work carried on over here in the west block; my information is that there is a branch there which carries on research work in connection with concrete, for instance.

Mr. Fournier (Hull): It is a testing laboratory.

Mr. Fleming: I do not believe it is confined to concrete, either.

Mr. Fournier (Hull): It is not a research branch. It is a testing laboratory for public works. It is not for research.

Mr. Fleming: All right. It is your testing laboratory.

Mr. Fournier (Hull): That's right.

Mr. Fleming: If my information is correct, that testing work could be carried on just as well and more economically by the national research council.

Mr. Fournier (Hull): Don't take anything away from me.

Mr. Fleming: That particular branch in the department is increasing in size; it is increasing in the number of persons employed. If he will, I should like the minister to tell the committee just why it should be necessary to have a testing laboratory in his own department when the national research council has facilities and extremely capable people who are fully equipped and thoroughly skilled to carry on that work without this unnecessary duplication.

Mr. Fournier (Hull): Let us speak like two experts. I am told that in the national research council they have no testing laboratories. We have one. Tonight the plea was made that I should not divest myself of the activities that come under my department. Now an hon. member wants me to throw out this testing laboratory.

Mr. Fleming: I want the minister to eliminate duplication.

Mr. Fournier (Hull): This is what I am told; and may I say that I did not visit the national research council. As I am telling the hon. member, I follow advice. I am told by my deputy that they have not the testing facilities at the national research council for these classes of materials. If those facilities do not exist there, there cannot be duplication. We need some testing place with our own engineers and officials. But if the hon. member is right—and I will get further information—I am still ready to hand that laboratory over, if the hon. member for Vancouver-Quadra agrees that I should continue to give out work.

Then as to grants with regard to the increase of buildings in Ottawa, that is a special statute which comes under the Minister of Finance. It is a formula devised by some financial experts. I know about it because I happen to live in this district and my town probably would fall under that formula or under that grant; but I think the question would be better directed to the Minister of Finance. I really would not want to take it upon myself to give an answer, because I do not know enough about it.

As to the loud speakers, we had quite a full explanation given. A contract was signed with Tannoy of London, England, to instal here a system similar to that in Westminster. That was in accordance with a report made by a committee under Mr. Speaker. Their agents in Canada are Cossor (Canada) Limited. They are actually casting microphones and loudspeakers. I am told that some days after prorogation of this session they will get to work doing the wiring and installing the system which will be ready for the opening of the next session. The installation of the system will cost the government $35,000. They will put in the system, maintain it and operate it. We will pay the operators and rental fee; we are not purchasing the installation. We are paying a rental of $7,500 a year. The contract was tabled some days after it was signed, at the beginning of this session.

Mr. Fleming: When is it expected that the work will be completed and the system will be in operation?

Mr. Fournier (Hull): They have assured us that it will be ready for the next session.

Mr. Fleming: When is that going to be? This is extremely interesting. We might kill two birds with one stone here, Mr. Chairman. I hope the minister is not going to call a fall session. I am not asking for that much speed in connection with the installation.

Mr. Fournier (Hull): Mr. Chairman, I do not fix the date of the opening or of prorogation. I am trying to fix the date of prorogation but I am having a great deal of trouble right now.

Mr. Hansell: In connection with the amplifying system here I want to make only one suggestion, although perhaps it is too late now. I hope those who are installing the system do not clutter up this chamber with a number of wires hanging from the ceiling. I happen to have been in the British House of Commons during the past year. While they have an amplifying system there, I believe they have largely spoiled their chamber.

Mr. Fournier (Hull): I may tell the hon. member that this matter really does not come under my jurisdiction. Mr. Speaker went over to Britain and visited the House of Commons there. He had a committee. They made a report to the House of Commons here, and it was concurred in. All I am doing is following out what was concurred in by the House of Commons.

Mr. Hees: We rely on the minister, though.

Mr. Hansell: The minister has no need to hold up his own estimates. I am simply suggesting something that I do not want to happen here. While I am on my feet I should like to ask the minister if his department has considered modernizing the elevator system in the House of Commons.

Mr. Knowles: Hear, hear.

Mr. Fournier (Hull): I am told an investigation was made concerning elevators, and I am told further that there is an amount in the supplementary estimates. When it was discussed last I thought we would begin by making one or two changes. We cannot replace them all at one time. The changes will be made in the electrical equipment and controls. I am told that the moment the vote in the supplementary estimates is passed work will begin on the changes in connection with the electrical equipment and controls.

Mr. Black (Cumberland): All hon. members are interested in national buildings. What national buildings are under construction or are proposed at the present time? I would point out to the minister the advisability of deciding on the stone to be used. The province of Nova Scotia has been interested in this matter for many years. The trim of these parliament buildings—the tower, the windows, the doors, and the like—is of

Wallace stone. The same applies in the museum building, Confederation building, and several other government buildings. There is no question whatever as to the high quality of that stone. I would ask the minister as to the material being used in the larger buildings in this capital city.

Mr. Fournier (Hull): Offhand I could not make a statement with respect to the stone going into those buildings. I would have to ask for a report from my officials, and I would be prepared to communicate that report to the hon. member. But when he asks me for a statement as to the different kinds of stone which will be employed in the buildings, I cannot answer him. Although I have some capabilities, I do not think I could go that far.

Mr. Black (Cumberland): The matter is so important I would expect the minister to be familiar with it. I would be pleased to have him give us the assurance that due consideration will be given to continuing the use of Wallace stone as it has been used in previous years by architects in his department, in connection with other buildings in Ottawa.

Mr. Fournier (Hull): I will keep my hon. friend informed. Architects generally advise us as to the stone to be used in certain buildings. I do not have very much to say about it because, though the hon. member thinks I should know a good deal about stone, I admit that I do not. If after looking at specifications I think the architect is right in his plans, I rarely raise a question as to the kind of stone to be used, either as to its source or quality. I must say that I throw up the sponge; I do not know enough about stone to discuss it, really.

Mr. Black (Cumberland): I would ask the minister to look into the question of the quality of stone to be used in buildings of this kind.

Mr. Fournier (Hull): I shall do that.

Mr. Fleming: The minister dealt with several of the matters I mentioned briefly a moment ago, but he did not deal with the evidence given recently by his deputy minister before the public accounts committee concerning the matter of charging the different departments rent for the space occupied by them.

Mr. Fournier (Hull): That question has been discussed many times in the last ten years. To date the government policy has been to follow the statute which places all public buildings under the control of the Department of Public Works. We meet the requests of the different departments for their needs.

To establish another branch of the department in which we would charge each department for rental would require an extension of activities. Perhaps it would be a good thing, so far as the other departments are concerned, if they could come to the House of Commons and ask for rent when they present their estimates, but we would have to have some organization to control that. It would simply be a matter of taking money from one pocket and putting it into another. Thus far, and since confederation, the Department of Public Works has provided space for the offices and facilities of other departments. This involves a question of policy which, up to now, has not been changed.

Mr. Fleming: If the minister will read the evidence tendered by his deputy minister before the committee on public accounts a week or so ago he will find in it a very strong condemnation of the present policy, and a strong advocacy of a change in that policy with a view to accomplishing two results: first, truer accounting among different departments of government as to their cost to the public treasury and, second, providing some check upon the demands of departments either for new space or for the retention of space beyond their requirements.

Mr. Fournier (Hull): My deputy tells me that he never interferes with government policy. He advises me as to what he thinks best, but policy is decided by the government. As a respectful civil servant he has not tried to dictate policy to the government; at least he has not done so during the ten years he has been with me.

However, there is some good in what he said before that committee, as to the matter of accounting, knowing exactly about expenditures, and how these departments are run. But until the government changes its policy the Department of Public Works must conform to the statute and administer the act the way it is now written.

Item agreed to.

Some hon. Members: Eleven o'clock.

Progress reported.

BANKING AND COMMERCE

Ninth and tenth reports of standing committee on banking and commerce.—Mr. Cleaver.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

[The following items were passed in committee of supply on Tuesday, June 24, 1952]:

DEPARTMENT OF DEFENCE PRODUCTION

80. To provide capital assistance for the construction, acquisition, extension or improvement of capital equipment or works by private contractors engaged in defence contracts, or by crown plants operated on a management-fee basis, or by crown companies under direction of the Minister of Defence Production, subject to approval of treasury board, $85,000,000.

81. To provide for the liquidation of contracts, including commitments of previous years related to the acquisition of assets operated by the Departments of Munitions and Supply and Reconstruction and Supply or an agency of these departments, the liquidation of the assets and liabilities of closed crown companies and crown plants; and for miscellaneous and unforeseen expenses, $150,000.

B—Crown companies—

82. To provide for expenses incurred by Defence Construction Limited in procuring the construction of defence projects on behalf of the Department of National Defence, $3,308,500.

Canadian Arsenals Limited—

83. Administration and operation, $750,000.

84. Construction, improvements and new equipment, $1,650,000.

National research council—

295. Salaries and other expenses, $12,198,684.

296. Construction or acquisition of buildings, works, land and new equipment (revote $1,345,000), $3,358,320.

Atomic energy control board—

297. Administration expenses of the atomic energy control board, $59,302.

298. Researches and investigations with respect to atomic energy, $300,000.

Atomic energy project—

299. Operation and maintenance, $7,089,371.

300. Construction or acquisition of buildings, works, land and new equipment, and to provide for payment to Central Mortgage and Housing Corporation for housing and other works to be constructed at Deep River during 1952-53, $3,141,850.

301. Construction of a new reactor and auxiliary buildings and services (revote $4,300,000), $7,000,000.

684. To provide capital assistance for the construction, acquisition, extension or improvement of capital equipment or works by private contractors engaged in defence contracts, or by crown plants operated on a management-fee basis, or by crown companies under direction of the Minister of Defence Production, subject to approval of treasury board—further amount required, $25,000,000.

685. To provide for payment of grants to municipalities in lieu of taxes on crown-owned defence plants operated by private contractors, $250,000.

DEPARTMENT OF TRADE AND COMMERCE

Exhibitions—

788. Canadian International Trade Fair, 1953—to provide for preparatory expenses of a Canadian international trade fair in 1953, the remaining amount required to be provided in the main estimates for 1953-54, $319,000.

Canada Grain Act—

Canadian government elevators—

789. Operation and maintenance expenses—further amount required, $192,909.

Special—

790. To provide hereby, notwithstanding anything contained in the Financial Administration Act or any other act or law, for payment out of the consolidated revenue fund to the widow of the late Joseph MacLeod Boyer of an annuity at the rate of $1,248 to commence from February 1, 1952, and to continue during her lifetime, $1,456.

[The following items were passed in committee of supply on Wednesday, June 25, 1952]:

DEPARTMENT OF NATIONAL DEFENCE

Defence services—

248. To provide for the Canadian forces, the defence research board and other expenditures relating to defence, including contributions toward the military costs of the North Atlantic Treaty Organization, and notwithstanding section thirty of the Financial Admininstration Act, to authorize total commitments for the foregoing purposes of $3,988,568,232 regardless of the year in which such commitments will come in course of payment (of which it is estimated that $2,346,221,325 will come due for payment in future years); and to provide for the estimated actual expenditures in the fiscal year 1952-53, $1,642,346,907.

Special—

249. To authorize and provide for additional expenditures under the provisions of section 3 of the Defence Appropriation Act, 1950, and supplementary contributions toward the military costs of the North Atlantic Treaty Organization, in the amount of $324 million and commitments against future years in the amount of $32,550,000, $324,000,000.

General services—

250. Grants to military associations, institutes and others, as detailed in the estimates, $227,325.

251. War museum, $22,518.

Pensions and other benefits—

252. Civil pensions, as detailed in the estimates, $2,977.

253. To authorize in respect of members of the Royal Canadian Air Force on leave without pay and serving as instructors with civilian training organizations operating the British Commonwealth Air Training Plan who were killed, payments to their dependents of amounts equal to the amounts such dependents would have received under the Pension Act, as amended, had such service as instructors been military service in the armed forces of Canada, less the value of any benefits received by such dependents under insurance contracts which were effected on the lives of such members of the Royal Canadian Air Force by or at the expense of the civilian organizations, $2,172.

Defence Services Pension Act—

254. Government's contribution to the permanent services pension account, $30,008,601.

DEPARTMENT OF VETERANS AFFAIRS

527. Departmental administration, $2,217,425.

528. District services—administration, $2,867,375.

529. Veterans' welfare services, $3,355,306.

Treatment services—

530. Operation of hospitals and administration, $37,828,001.

531. Medical research and education, $350,000.

532. Hospital construction, improvements, new equipment and acquisition of land, $4,865,050.

Supply

533. Prosthetic services—supply, manufacture and administration, $1,056,117.

Canadian pension commission—

534. Administration expenses, $2,166,655.

535. Veterans bureau, $517,075.

536. War veterans allowance board—administration, $178,347.

537. Veterans' insurance, $97,024.

Pensions and other benefits—

538. Pensions for disability and death, including pensions granted under the authority of the civilian government employees (war) compensation order P.C. 45/8848 of 22nd November, 1944, which shall be subject to the Pension Act, $125,546,000.

539. Newfoundland special awards, $30,000.

540. War veterans allowances, $22,505,000.

541. Assistance fund (war veterans' allowances), $950,000.

542. Unemployment assistance, $25,000.

543. Hospital and other allowances, $3,225,000.

544. Gallantry awards—world war II, $18,000.

Miscellaneous payments—

545. To provide for payments to the imperial war graves commission, for battlefields memorials and erection of headstones in Canada (formerly provided for in Department of National Defence appropriations) and for payments to the Last Post fund, maintenance of departmental cemeteries, payments of funerals and cemetery charges including costs of headstones and cemetery plots, $1,638,655.

546. Employers liability compensation, $180,000.

547. Grant to Canadian Legion, $9,000.

Soldier Settlement and Veterans Land Act—

548. To provide for the cost of administration of Veterans Land Act; soldier settlement and British family settlement, $4,780,354.

549. To provide for the upkeep of property, Veterans Land Act, including engineering and other investigational planning expenses that do not add tangible value to real property taxes, insurance and maintenance of public utilities, $77,000.

550. To provide for the payment of grants to veterans settled on provincial lands in accordance with agreements with provincial governments under section 35 of the Veterans Land Act, 1942, as amended, and payment of grants to veterans settled on dominion lands, in accordance with an agreement with the Minister of Resources and Development under section 35 of the Veterans Land Act, 1942, as amended, $600,000.

551. To provide for the payment of grants to Indian veterans settled on Indian reserve lands under section 35A of the Veterans Land Act, 1942, as amended, $175,000.

552. To provide for the reduction of indebtedness to the director of soldier settlement of a settler under the Soldier Settlement Act, in respect of a property in his possession, the title of which is held by the director, by an amount which will reduce his indebtedness to an amount in keeping with the productive capacity of the property and his ability to repay his indebtedness to the director, under regulations approved by the governor in council, $150,000.

553. To authorize and provide, subject to the approval of the governor in council, for necessary remedial work on properties constructed under individual firm price contracts and sold under the Veterans Land Act to correct defects for which neither the veteran nor the contractor can be held financially responsible and for such other work on other properties as may be required to protect the interest of the director therein, $15,000.

554. To authorize and provide, subject to the approval of the governor in council in each case, for the completion of necessary remedial work to houses and services constructed under the 1945 building program, $16,700.

Terminable services—

555. Post discharge rehabilitation benefits, including the training of merchant seamen and salt water fishermen pensioners, $3,677,500.

Soldier Settlement and Veterans Land Act—

561. To provide for protection of security—soldier settlement, and refunds of surplus to veterans, $25,000.

562. To provide for purchase of land and permanent improvements; cost of permanent improvements to be effected; removal of encumbrances; stock and equipment, refund of surplus to veterans (section 19); and for protection of security under the Veterans Land Act, $18,000,000.

Pensions and other benefits—

816. War veterans allowances—further amount required, $5,850,000.

817. Gallantry awards—world war II and special force—further amount required, $3,000.

Soldier Settlement and Veterans Land Act—

818. To authorize the expenditure of funds provided under vote 552 of the 1952-53 main estimates for the reduction of indebtedness to the director of soldier settlement of a settler in respect of a property in his possession, the title of which is held by the director, or such soldier settler loans which are administered by the Indian Affairs branch of the Department of Citizenship and Immigration, by an amount which will reduce his indebtedness to an amount in keeping with the productive capacity of the property or his ability to repay his indebtedness under regulations approved by the governor in council, $1.

Soldier Settlement and Veterans Land Act—

821. To provide for purchase of land and permanent improvements; cost of permanent improvements to be effected; removal of encumbrances; stock and equipment; refund of surplus to veterans (section 19); and for protection of security under the Veterans Land Act—further amount required, $2,500,000.

DEPARTMENT OF PUBLIC WORKS

330. Departmental administration, $584,997.

Architectural branch—

331. Branch administration, $506,848.

332. Ottawa—maintenance and operation of public buildings and grounds, including repairs, and upkeep, rents, furnishings, heating, etc., and to authorize commitments against future years in the amount of $500,000, $12,112,418.

333. Maintenance and operation of public buildings and grounds, other than at Ottawa, including repairs and upkeep, rents, furnishings, heating, etc., and to authorize commitments against future years in the amount of $800,000, $18,273,243.

Acquisition, construction and improvements of public buildings—

Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings listed in the details of the estimates, provided that treasury board may increase or decrease the amount within the vote to be expended on individual listed projects—

334. Newfoundland, $700,000.

335. Nova Scotia, $1,250,000.

336. Prince Edward Island, $175,000.

337. New Brunswick, $1,130,000.

338. Quebec, $9,741,000.

339. Ottawa, $7,945,000.

APPENDIX

Orders, decorations and medals awarded officers and men of the Canadian forces for gallantry or outstanding service in the Far East

ROYAL CANADIAN NAVY

THE DISTINGUISHED SERVICE ORDER (DSO)

Number	Rank	Name	Previous Decorations	Unit at Time of Award	Residence Prior to Enrolment	Present Location
0-8900	Captain	Brock, Jeffrey Vanstone	DSC, CD	RCN	Winnipeg, Man	National Defence College, Kingston.

THE DISTINGUISHED SERVICE CROSS (DSC)

0-45770	Commander	Madgwick, Edward, Thomas, George.		RCN	Shoreham by the Sea, Sussex, Eng.	"Bytown" Ottawa, Ont.
0-14820	Lieutenant	Collier, Andrew, Lawrence.		RCN	Salmon Arm, B.C.	"Stadacona" Halifax, N.S.

BAR TO THE DISTINGUISHED SERVICE CROSS

0-76950	Commander	Welland, Robert, Phillip.	DSC, CD	RCN	McCreary, Man	"Stadacona" Halifax, N.S

BRITISH EMPIRE MEDAL (BEM)

21480-E	Chief Petty Officer (First Class).	Pearson, Douglas James		RCN	Victoria, B.C.	"Naden" Esquimalt, B.C.
6625-E	Petty Officer (Second Class).	Shields, Thomas		RCN	Calgary, Alta	"Naden" Esquimalt, B.C.
4194-H	Petty Officer (Second Class).	Randall, Edward		RCN	Halifax, N.S.	"Stadacona" Halifax, N.S.

MENTION-IN-DESPATCHES (MID)

O-8900	Captain	Brock, Jeffrey, Vanstone.	DSC, CD	RCN	Winnipeg, Man	National Defence College, Kingston.
O-72120	Commander	Taylor, Paul Dalrymple.		RCN	Victoria, B.C.	"Niagara" Washington, D.C.

O-76950	Commander	Welland, Robert, Phillip.	DSC, CD	RCN	McCreary, Man.	"Stadacona" Halifax, N.S.
O-25245	Commander	Fraser - Harris Alexander Beauport Fraser.		RCN	Halifax, N.S.	"Stadacona" Halifax, N.S.
O-35175	Commissioned Gunner.	Hurl, David, William		RCN	Winnipeg, Man.	"Athabaskan" Far East.
O-18885	Commissioned Engineer.	Dear, Edward Victor		RCN	Victoria, B.C.	"Stadacona" Halifax, N.S.
40774-H	Chief Petty Officer (First Class).	Emmerson, Frederick, Charles.		RCN	St. John, N.B.	"Stadacona" Halifax, N.S.
3592-H	Chief Petty Officer (First Class).	Winter, Reginald		RCN	Victoria, B.C.	"Stadacona" Halifax, N.S.
7524-H	Leading Seaman	Roberts, William, John.		RCN	Alexander, Man.	"Stadacona" Halifax, N.S.

CANADIAN ARMY

COMPANION OF THE MOST HONOURABLE ORDER OF THE BATH (CB)

ZK 4050	Brigadier	Rockingham, John Meredith.	CBE, DSO, ED	25 Cdn Inf Bde	Vancouver, B.C.	Army Headquarters Ottawa.

COMMANDER OF THE MOST EXCELLENT ORDER OF THE BRITISH EMPIRE (CBE)

ZD 637	Brigadier	Fleury, Frank James	MBE, ED	Canadian Military Mission, Far East.	Montreal, P.Q.	Commander Eastern Quebec Area, Quebec, P.Q.

OFFICER OF THE MILITARY DIVISION OF THE MOST EXCELLENT ORDER OF THE BRITISH EMPIRE (OBE)

ZK 107	Colonel	Bailey, Anthony John Beswick.	DSO, ED	2 Regiment, RCHA	Ottawa, Ont.	CO Royal Cdn School of Artillery Shilo, Man.
ZD 4622	Lieutenant-Colonel	Dextraze, Jacques Alfred.	DSO	2 R 22e R, RCIC	Montreal, P.Q.	Cdn Army Staff College Kingston, Ont.
ZH 106	Lieutenant-Colonel	Keane, Robert, Angus.	DSO	2 RCR, RCIC	Edmonton, Alta.	Army Headquarters Ottawa, Ont.
ZB 450	Lieutenant-Colonel	Rochester, Donald, Harvey.		57 Cdn Ind Fd Sqn, RCE.	Toronto, Ont.	Cdn Army Staff College Kingston, Ont.

OFFICER OF THE MILITARY DIVISION OF THE MOST EXCELLENT ORDER OF THE BRITISH EMPIRE (OBE)—Cont'd

Number	Rank	Name	Previous Decorations	Unit at Time of Award	Residence Prior to Enrolment	Present Location
ZD 1026	Lieutenant-Colonel	Sare, Paul Francis Lionel.		Canadian Military Mission, Far East.	Montreal, P.Q.	Army Headquarters Ottawa, Ont.
ZK 108	Lieutenant-Colonel	Danby, Ernest Deighton.	DSO	HQ 1 Comwel Div	New Westminster, B.C.	National Defence College Kingston, Ontario.

THE DISTINGUISHED SERVICE ORDER (DSO)

TM-80874	Major	George, John Herbert Bothwell.		1 Battalion, PPCLI, RCIC.	Edmonton, Alta.	2 PPCLI, Calgary.
ZL-300	Captain (A/Major)	Liboiron, Real		2 Battalion, R22eR, RCIC.		1 Personnel Depot, Halifax.

BARS TO THE DISTINGUISHED SERVICE ORDER (DSO)

ZK-4311	Lieutenant-Colonel	Stone, James Riley	DSO, MC	2 Battalion, PPCLI, RCIC.	Salmon Arm, B.C.	OC. 2 PPCLI, Calgary, Alta.

MEMBER OF THE MILITARY DIVISION OF THE MOST EXCELLENT ORDER OF THE BRITISH EMPIRE (MBE)

TH-9140	Captain	Stevenson, Henry, Carson.		RCAMC—Medical Officer, 2 RCR, RCIC.	Minnedosa, Man.	Winnipeg Military Hospital.

THE MILITARY CROSS (MC)

TH-8894	A/Captain	Mills, John, Graham Wallace.		2 Battalion, PPCLI, RCIC.	Winnipeg, Man.	2 PPCLI, Calgary, Alta.
ZB-4391	Lieutenant	Mastronardi, Edward, John.		2 Battalion, RCR, RCIC.	Toronto, Ont.	2 RCR, Petawawa, Ont.
ZB-800	Lieutenant	Freeborn, Frederick, Roberts.		57 Cdn Ind Fd Sqn, RCE.	Edmonton, Alta.	57 Cdn Ind Fd Sqn, Chilliwack, B.C.

ZK-5059	Lieutenant	McKinlay, James, George, Clyde.		1 PPCLI, RCIC	Vancouver, B.C.	11 Personnel Depot, Vancouver, B.C.
ZL-4076	Lieutenant	O'Brennan, Matthew, Terrance.		2 Regiment, RCHA	Regina, Sask	2 Royal Cdn Horse Artillery, Shilo, Man.

THE DISTINGUISHED CONDUCT MEDAL (DCM)

M 800148	Private	Mitchell, Wayne, Robert.		2 PPCLI, RCIC	Virden, Man.	Released: Dauphin, Man.
H 800021	Sergeant	McCuish, David, Allan.		2 PPCLI, RCIC	Toronto, Ont.	Released: 268 Nairn Ave., Toronto.
D 801889	Lance-Corporal	Harvey, Joseph, Paul, Andre.		2 R 22e R, RCIC	Baie St. Paul, P.Q.	4 Personnel Depot, Montreal, P.Q.
L 800192	Corporal	Poole, Ernest, William.		RCAMC Attached to 2 RCR RCIC.	Duff, Sask	2 RCR, Petawawa, Ont.
F 800160	Private	Bauer, Rupert, Edward.		2 RCR, RCIC	Halifax, N.S.	8 Personnel Depot, Winnipeg, Man.

BAR TO THE DISTINGUISHED CONDUCT MEDAL

D 800999	Corporal	Major, Leo	DCM	2 R 22e R RCIC	Montreal, P.Q.	4 Personnel Depot, Montreal, P.Q.

THE MILITARY MEDAL (MM)

M-800022	Lance-Corporal	Douglas, Smiley		2 PPCLI, RCIC	Delburne, Alta	Released: Delburne, Alta.
B 801304	Private	Barton, Leonard		2 PPCLI, RCIC	England	6 Personnel Depot Toronto, Ont.
C 800133	Lance-Bombardier	King, Allan, Osborne		2 Regiment RCHA	Kingston, Ont.	5 Personnel Depot, Kingston, Ont.
D 801275	Gunner	Garaughty, Arthur, Martin.		2 Regiment, RCHA	Rosemount, P.Q.	4 Personnel Depot, Montreal, P.Q.
L-800032	Gunner	Wishart, Kenneth, Wilfred.		2 Regiment, RCHA	Ochre River, Man.	1 Light Bty, RCA, Shilo, Man.
C-800000	Private	Sargent, John, Archibald.		2 RCR, RCIC	Owen Sound, Ont.	6 Personnel Depot, Toronto, Ont.

THE MILITARY MEDAL (MM) (Cont'd)

Number	Rank	Name	Previous Decorations	Unit at Time of Award	Residence Prior to Enrolment	Present Location
A-800042.....	Private.....	Bell, Curtis, Ora.....	.....	2 RCR, RCIC.....	Sussex, N.B.....	2 Personnel Depot, Fredericton, N.B.
B-801683.....	Private.....	Rowden, Gordon, George.	.....	2 RCR, RCIC.....	Port Hope, Ont.....	6 Personnel Depot, Toronto, Ont.
B-800926.....	Sergeant.....	Dunphy, Kerry, John..	.....	2 PPCLI, RCIC.....	Carleton Place, Ont....	Royal Cdn School of Infantry, Borden, Ont.
E-800043.....	Sergeant.....	Sommerville, Samuel..	.....	2 R 22e R, RCIC.....	Quebec, P.Q.....	3 Personnel Depot, Quebec, P.Q.
D-801131.....	Corporal.....	Ostiguy, Jean, Gerard..	.....	2 R 22e R, RCIC.....	Granby, P.Q.....	4 Personnel Depot, Montreal, P.Q.
SE-800150....	Private.....	Gagnon, Romeo.....	.....	2 R 22e R RCIC.....	Chicoutimi, P.Q.....	2 R 22e R, Valcartier, P.Q.
B-800203.....	Private.....	Pugh, Wilfred, Denis...	.....	2 RCR, RCIC.....	Bracebridge, Ont.....	6 Personnel Depot, Toronto, Ont.
G-800518.....	Private.....	White, Ottie, Malcolm.	.....	RCASC, Attached to 25 Cdn Fd Amb, RCAMC.	Moncton, N.B.	2 Personnel Depot, Fredericton, N.B.
M-800036.....	Private.....	Barwise, Kenneth, Francis.	.....	2 PPCLI, RCIC.....	Vancouver, B.C.....	2 PPCLI, Calgary, Alta.
SD-800167....	Lance-Bombardier.....	Dorman, Francis, Merton.	.....	2 Regiment, RCHA...	St. Eustache-sur-le-Lac, P.Q.	UN Forces, Far East.
SE-6576.....	Private.....	Asselin, Ernest.....	.....	2 R 22e R, RCIC.....	Ste. Angele de Merici, P.Q.	1 R 22e R, Far East.

BRITISH EMPIRE MEDAL (BEM)

M-800366.....	Lance-Corporal.....	McCreary, Herbert, John.	.....	57 Ind Fd Sqn, RCE..	Treherne, Man.....	8 Personnel Depot, Winnipeg, Man.
SH-237.....	Squadron Quarter-master Sergeant.	Eveleigh, Douglas, Fred.	.....	"C" Squadron, LdSH (RC), RCAC.	Virden, Man.....	25 Cdn Rft Gp, Far East.

SF-800173	Sergeant	Parker, James, Willard.		25 Cdn Fd Amb, RCAMC.	Spryfield, N.S.	1 Personnel Depot, Halifax, N.S.
SG-9020	Staff-Sergeant	Clouston, Byron Clifford.		25 Cdn Inf Bde RCASC.	Bathurst, N.B	HQ 25 Cdn Inf Bde, Far East.

MENTION-IN-DESPATCHES (MID)

SD-109658	Sergeant	Taylor, Frank Henry William.		RCAMC Attached to 2 PPCLI, RCIC.	Rosemount, P.Q.	Camp Headquarters Petawawa, Ont.
B-801433	Private	Kawanami, Masao		2 PPCLI, RCIC	Toronto, Ont.	25 Cdn Rft Gp, Far East.
ZE-1110	Major	Dube, Joseph Leopold Yvan (deceased).		2 R 22e R, RCIC	Three Rivers, P.Q.	Next-of-Kin: Mrs. M. C. Dube (Wife) 338 Champlain St. St. Jean, P.Q.
ZK-9686	Captain	MacGillivray, Charles Allan.		2 Regiment, RCHA	Victoria, B.C.	Instructional & Administrative Cadre, Winnipeg, Man.
ZE-4132	Lieutenant	Plouffe, Joseph Fanida, Orphila.		2 R 22e R, RCIC	Montreal, P.Q.	2 R 22e R, Far East.
TB-1794	Lieutenant	Webb, Thomas Robert.		2 PPCLI, RCIC	Hamilton, Ont.	Madigan Army Hosp. Fort Lewis, Wash.
SD-46008	WO II	Fuller, George Hubert.		2 RCR, RCIC	Sherbrooke, P.Q.	5 Personnel Depot, Kingston, Ont.
SB-15152	Staff-Sergeant	Henderson, Robert.		C Int C	Toronto, Ont.	6 Personnel Depot, Toronto, Ont.
F-800140	Sergeant	Carson, James Cuthbert.		RCASC	Halifax, N.S.	6 Personnel Depot, Toronto, Ont.
SC-850431	Corporal	Carriere, Albert Robert Joseph.		RC Sigs	Ottawa, Ont.	13 Personnel Depot, Ottawa, Ont.
SC-850052	Corporal	Disley, Joseph Anthony.		RC Sigs	Ottawa, Ont.	13 Personnel Depot, Ottawa, Ont.
B-800296	Private	Tremblay, John Daniel.		2 RCR, RCIC	Toronto, Ont.	6 Personnel Depot, Toronto, Ont.
C-850031	Corporal	Gingras, Paul Francis.		2 RCR, RCIC	Ottawa, Ont.	13 Personnel Depot, Ottawa, Ont.
ZD-5021	Lieutenant	MacDuff, Raymond.		2 R 22e R, RCIC	Lacolle, P.Q.	2 R 22e R, Valcartier, P.Q.
TB-13609	Lieutenant	Nash, Walter George Joseph.		2 R 22e R, RCIC	Toronto, Ont.	2 R 22e R, Far East.

MENTION-IN-DESPATCHES (MID) (Cont'd)

Number	Rank	Name	Previous Decorations	Unit at Time of Award	Residence Prior to Enrolment	Present Location
C-850450	A/Corporal	Istead, Earl		2 R 22e R, RCIC	Hull, P.Q.	13 Personnel Depot, Ottawa, Ont.
C-850814	A/Corporal	Prud'homme, Daniel.		2 R 22e R, RCIC	Hull, P.Q.	13 Personnel Depot, Ottawa, Ont.
SC-12678	Corporal	McEwan, Gerald Edward.		RCOC	Ottawa, Ont.	UN Forces, Far East.
ZC-4387	Lieutenant	MacDonald, Strathcona, Clifton.		LdSH (RC) RCAC	Toronto, Ont.	6 Personnel Depot, Toronto, Ont.
A-800454	A/Sergeant	Thwaites, George Herbert.		LdSH (RC) RCAC	Charlton, Ont.	"C" Sqn. LdSH (RC) RCAC Far East.
ZK-4587	Major	Hallam, Richard, Edwin.		RCEME, 191 Cdn Inf Wksp.	Vancouver, B.C.	Vehicle Development Est, Ottawa, Ont.
ZA-465	Captain	Crowe, John Douglas.	MC	2 Regiment RCHA	Guelph, Ont.	6 Personnel Depot, Toronto, Ont.
ZE-3307	Captain	Forbes, Jean, Charles, Bertrand.		2 R 22e R, RCIC	Matane-sur-Mer, P.Q.	3 Personnel Depot, Quebec, P.Q.
ZD-761	Captain	Gunton, Gordon, Arthur.		1 PPCLI, RCIC	Montreal, P.Q.	1 PPCLI, Far East.
ZB-2915	Captain	McKenzie, John, Henry.		RCASC, HQ 25 Cdn Inf Bde.	Hamilton, Ont.	RCASC School, Borden, Ont.
ZK-5066	Captain	Tierney, Angus, McDougall.		2 Regiment, RCHA	Vancouver, B.C.	2 Regt. RCHA, Shilo, Man.
TE-65298	Lieutenant	Brouard, Camille		2 R 22e R, RCIC	Quebec, P.Q.	3 Personnel Depot, Quebec, P.Q.
ZH-3975	Lieutenant	Davis, John, Mac-Arthur.		1 PPCLI, RCIC	Winnipeg, Man.	HQ 1 Comwel Div. Far East.
ZM-2911	Captain	Day, Richard, Mac-Kreth.		54 Cdn Tpt Coy, RCASC.	Salmon Arm, B.C.	RCASC School, Borden, Ont.
ZK-4389	Lieutenant	Glendinning, David, Lorne.		"C" Sqn, LdSH (RC), RCAC.	Vancouver, B.C.	"C" Sqn LdSH (RC), RCAC, Far East.

TC-38514	Lieutenant	Keating, John, Hugh		57 Cdn Ind Fd Sqn, RCE.	Ottawa, Ont.	57 Cdn Ind Fd Sqn, Chilliwack, B.C.
SD-116748	WO 2	Winterson, Stanley, Alexander.		RC Sigs, 25 CIB Sig Troop.	Montreal, P.Q.	Quebec Comd Sig Sqn, Montreal, P.Q.
B-801063	Sergeant	Chillman, John, William.		54 Cdn Tpt Coy, RCASC.	Toronto, Ont.	Released: 32 Guthrey Ave., Etobicoke, Ont.
D-800679	A/Sergeant	Dee, Vincent		2 RCR, RCIC	Montreal, P.Q.	4 Personnel Depot, Montreal, P.Q.
SF-45980	Sergeant	Forbes, James, Floyd.	MM	"C" Sqn, LdSH (RC) RCAC.	Hopewell, Pictou Co., N.S.	"C" Sqn, LdSH (RC) RCAC Far East.
SB-60804	Sergeant	Hunt, George, Mervyn.	MM	25 Cdn Fd Amb	Gravenhurst, Ont	6 Personnel Depot, Toronto, Ont.
SL-111324	Sergeant	Stone, Joseph, Ernest.		1 PPCLI, RCIC	Maple Creek, Sask	Royal Cdn School of Infantry, Borden, Ont.
D-800693	A/Sergeant	Zaluski, Walter		2 R 22e R, RCIC	Cowansville, P.Q.	4 Personnel Depot, Montreal, P.Q.
D-800676	A/Corporal	Charpentier, Marc (deceased).		2 R 22e R, RCIC	Three Rivers, P.Q.	Next-of-kin, Mr. R. Charpentier (Father), Rang St. Marguerite, Three Rivers, P.Q.
H-800326	Corporal	Harrison, Sydney		"C" Sqn, LdSH (RC) RCAC.	Flin Flon, Man.	"C" Sqn, LdSH (RC) RCAC, Far East.
SE-103717	A/Corporal	Michaud, Jules		RCAMC Medical Assistant, 1 PPCLI, RCIC.	Lac Frontiere, Montmagny Co., P.Q.	1 PPCLI, Far East.
L-800038	Lance-Bombardier	Bird, Gerard, Everett.		2 Regiment, RCHA	Lorlie, Sask.	10 Personnel Depot, Calgary, Alta.
K-800043	Lance-Corporal	Hoffman, Cyrille, Cedric.		2 PPCLI, RCIC	Vancouver, B.C.	11 Personnel Depot, Vancouver, B.C.
SM-9332	Lance-Corporal	Mathews, Glen, Abbott.		1 PPCLI, RCIC	Edmonton, Alta.	1 PPCLI, Far East.
D-802403	Private	Brown, Raymond, Paul.		25 Cdn Fd Amb RCAMC.	Mansonville, P.Q.	4 Personnel Depot, Montreal, P.Q.
B-801350	Private	Copley, Donald, Reg.		2 PPCLI, RCIC	Toronto, Ont.	Released: 1863 Dufferin St., Toronto, Ont.
G-800368	Private	Doucette, Cornelius, Joseph.		2 R 22e R, RCIC	West Bathurst, N.B.	4 Personnel Depot, Montreal, P.Q.

MENTION-IN-DESPATCHES (MID) (Cont'd)

Number	Rank	Name	Previous Decorations	Unit at Time of Award	Residence Prior to Enrolment	Present Location
SK-14352	Sapper	Friesen, Henry, Kenneth.		57 Cdn Ind Fd Sqn RCE.	Matsqui, B.C.	57 Cdn Ind Fd Sqn RCE Far East.
B-800429	Private	Kane, Frank, Patrick.		2 RCR, RCIC	Toronto, Ont.	6 Personnel Depot, Toronto, Ont.
G-800054	Private	McIntyre, George, Leonard.		2 RCR, RCIC	Barker's Point, York Co., N.B.	2 Personnel Depot, Fredericton, N.B.
SD-802313	Private	Mahoney, Brendan, Leonard.		2 R 22e R, RCIC	Montreal, P.Q.	2 R 22e R, Valcartier, P.Q.
SM-800357	Private	Ragan, Harold, Richard.		2 PPCLI, RCIC	Elk Point, Alta.	2 PPCLI, Calgary, Alta.
B-800206	Private	Sharp, James, Dockerty.		2 RCR, RCIC	Toronto, Ont.	25 Cdn Rft Group, Far East.
SN-1111	Private	Tobin, Alexander, Joseph.		38 Motor Amb Coy RCASC.	St. John's, Nfld.	12 Personnel Depot, St. John's, Nfld.

ROYAL CANADIAN AIR FORCE

OFFICER OF THE MILITARY DIVISION OF THE MOST EXCELLENT ORDER OF THE BRITISH EMPIRE (OBE)

19523	Wing Commander	Mussells, Campbell, Haliburton.	DSO, DFC, CD	426 Squadron, Lachine, P.Q.	Montreal, P.Q.	Air Transport Command, Lachine, P.Q.

MEMBER OF THE MILITARY DIVISION OF THE MOST EXCELLENT ORDER OF THE BRITISH EMPIRE (MBE)

1874	Wing Commander	Lord, William, Henry		426 Squadron, Lachine, P.Q.	Ottawa, Ont.	Air Force Headquarters.

AIR FORCE CROSS (AFC)

19984	Wing Commander	Morrison, Howard, Allan.	DSO, DFC	426 Squadron, Lachine, P.Q.	Lauder, Man.	412 Squadron, Rockcliffe, Ont.

19812.....	Squadron Leader.....	Dickson, James, Donald.	DFC, DFM.....	426 Squadron, Lachine, P.Q.	Rothesay, N.B.....	RCAF Station, Lachine, P.Q.
26365.....	Flight Lieutenant.....	Payne, Donald, Melvin	DFC.....	426 Squadron, Lachine, P.Q.	Toronto, Ont.....	2 Personnel Selection Unit, London, Ont.

AIR FORCE MEDAL (AFM)

21603.....	Flight Sergeant.....	Drackley, Alfred, Arthur.	.....	426 Squadron, Lachine, P.Q.	Birsay, Sask.....	426 Squadron, Lachine, P.Q.

BRITISH EMPIRE MEDAL (BEM)

2414.....	Warrant Officer Class II	Engelbert, Arthur, Leroy.	CD.....	426 Squadron, Lachine, P.Q.	Manitou, Man.....	4 Operational Training Unit, Lachine, P.Q.

QUEEN'S COMMENDATION FOR VALUABLE SERVICES IN THE AIR (QC)

23526.....	Squadron Leader.....	Endersbe, Charles Edward.	.....	426 Squadron Lachine, P.Q.	Broncho, Sask.....	1 Air Radio Officers School Clinton, Ont.
17706.....	Squadron Leader.....	Ratcliffe, Russel Edwin David.	DFC.....	426 Squadron Lachine, P.Q.	Kingston, Ont.....	RCAF Station Winnipeg, Man.
6552.....	Flight Lieutenant.....	Finklestein, Abraham.	CD.....	426 Squadron Lachine, P.Q.	Ottawa, Ont.....	Training Command Headquarters, Trenton, Ont.
17600.....	Flight Lieutenant.....	Miller, James Burton..	.....	426 Squadron Lachine, P.Q.	Gainsborough, Sask....	Air Force Headquarters.
20405.....	Flight Lieutenant.....	Smith, William.....	.....	426 Squadron Lachine, P.Q.	Kirkcaldy, Scotland...	Tactical Air Group HQ, Edmonton, Alta.
22554.....	Sergeant.....	Bowman, Frederick Scott, Morrison.	.....	426 Squadron Lachine, P.Q.	Dunnville, Ont.....	RCAF Station Lachine, P.Q.
16396.....	Corporal.....	Crose, Edgar Clarence.	.....	426 Squadron Lachine, P.Q.	Thorold, Ont.....	RCAF Station Lachine, P.Q.

HOUSE OF COMMONS

Thursday, June 26, 1952

The house met at eleven o'clock.

REPORTS OF COMMITTEES

Eighth report of standing committee on railways, canals and telegraph lines.—Mr. McCulloch.

Seventh report of standing committee on miscellaneous private bills.—Mr. Winkler.

EASTERN ROCKY MOUNTAIN FOREST CONSERVATION ACT

AMENDMENT OF ACT

Hon. Robert H. Winters (Minister of Resources and Development) moved the first reading of Bill No. 391 (from the Senate), to amend the Eastern Rocky Mountain Forest Conservation Act.

Motion agreed to and bill read the first time.

QUESTIONS

PRINTING OF GOVERNMENT CHEQUES

Mr. LaCroix:

1. Who is responsible for printing cheques of the Canadian government, such as those for family allowances, old age pensions, etc.?
2. Why are not these cheques printed and distributed all over the country in the two official languages, as is the paper money issued by the Bank of Canada?

Mr. McCusker:

1. All cheques issued on behalf of the government of Canada including those for family allowances and old age security are produced and issued by the office of the comptroller of the treasury, Department of Finance.

2. The practice followed from the inception of the family allowances program (July 1945) and the old age security program (January 1952) has been the same as that followed by the provincial governments in each of the provinces of Canada.

HEALTH GRANTS—TUBERCULOSIS MORBIDITY AND MORTALITY IN PROVINCE OF QUEBEC

Mr. Arsenault:

1. What has been done under the national health grants program to reduce tuberculosis morbidity and mortality in the province of Quebec?
2. What reduction has there been in the tuberculosis mortality rate in the province of Quebec, since the inauguration of the national health grants program?

Mr. McCusker:

1. Since 1948, approximately $7,034,000 has been expended under the federal health grants program for the control of tuberculosis in Quebec. Included is federal assistance amounting to $2,234,000 toward the construction of 2,021 additional beds in nine provincial sanatoria. Preventive, diagnostic and treatment services were provided. Staff and equipment were provided for diagnostic clinics, mobile clinics and sanatoria. Drugs such as streptomycin, para-amino salicyclic acid and tibione were purchased for free distribution to tuberculous patients. A B.C.G. vaccination program among children has been established and various investigations into B.C.G. vaccine were carried out.

2. The death rate from tuberculosis in Quebec has fallen markedly—in 1950, the rate was 39·3 per 100,000 as compared with 72·4 per 100,000 in 1946.

FEDERAL EXPENDITURES IN PROVINCE OF QUEBEC

Mr. Macnaughton:

1. What are the estimated expenditures in the province of Quebec for the fiscal year 1952-53, for (a) family allowances; (b) old age pensions, old age assistance and pensions for the blind?
2. What were the expenditures of each department of government in the province of Quebec, for the fiscal year 1950-51?

Mr. Sinclair:

1. (a) $106,000,000; (b) Old age security $70,000,000; Old age assistance $6,500,000 to $7,500,000; Allowances for blind persons $1,100,000.

2. A. Direct payments to the provincial government:

	Amount in Thousands of dollars
(a) Statutory subsidies	2,867
(b) General health grants	6,143
(c) Half of net taxes collected from certain public utility companies (under section 7 of chapter 58 of the Statutes of 1947)	1,247
	10,257

Questions

B. Direct payments to or on behalf of persons resident in the province:

(a) Family allowances	99,558
(b) Old age pensions and pensions to blind persons	25,909
(c) Pensions (world war 1 and 2)	9,842
(d) Veterans war service gratuities and re-establishment credits	2,193
(e) Veterans post-discharge rehabilitation benefits	1,467
(f) War veterans allowances	2,338
	141,307

C. Interest paid on government of Canada bonds:

Interest paid to holders residing within the province (estimated)	83,344

D. Estimate of major expenditures by government departments or agencies within the province:

(a) Agriculture	13,609
(b) Chief electoral officer	66
(c) Citizenship and immigration	2,438
(d) Finance	3,103
(e) Fisheries	165
(f) Justice	2,987
(g) Labour	8,044
(h) Mines and technical surveys	2,672
(i) National defence	128,748
(j) National health and welfare	2,229
(k) National revenue	9,359
(l) Public works	18,392
(m) Resources and development	1,082
(n) Royal Canadian Mounted Police	1,044
(o) Trade and commerce	2,545
(p) Transport (including C.M.C. and N.H. board)	18,667
(q) Veterans affairs	11,830
(r) Central Mortgage and Housing Corporation	4,699
	231,679

E. Proportional share of federal government's contribution to the unemployment insurance fund ($26,133):

Portion allocated to province on basis of proportion of number of insured workers in province to number of insured workers in Canada:	7,623

F. Estimate of expenditures on loans to veterans (Veterans Land Act) 1,093

*Total Expenditures 475,303

*Expenditure figures do not include:

(a) The more general type of budgetary expenditures which are made for the benefit of the country as a whole and which are of direct benefit to all the provinces. In this category are the expenses of the central legislative body at Ottawa, and the administrative departments at Ottawa and the research activities of the national research council.

(b) Payments to the majority of suppliers of goods and services as the payments are in many cases made to the head office of the company and therefore do not lend themselves to an accurate segregation by provinces.

[Mr. Sinclair.]

HEALTH GRANTS—TRAINING IN PROVINCE OF QUEBEC

Mr. Arsenault:

With the federal assistance provided under the professional training grant or other grants, in the national health grants program, how many persons in the province of Quebec, by categories, have been or are receiving training since the program started?

Mr. McCusker:

620 persons in the province of Quebec have been or are receiving training under the federal national health grants program. These comprise 104 mental health personnel, 181 physicians, 137 nurses, 91 laboratory personnel, 24 sanitation personnel and 83 other hospital personnel.

CIVIL DEFENCE TRAINING SCHOOL—PERSONS TRAINED FROM PROVINCE OF QUEBEC

Mr. Gauthier (Portneuf):

How many people from the province of Quebec have been trained at federal expense, at the federal civil defence training school, since January, 1951?

Mr. McCusker:

To June 14, 1952, 153 persons from the province of Quebec have been trained at federal expense at the federal civil defence training school in the following courses—general civil defence course, rescue course, and welfare course.

This number includes 37 persons who attended the special course which was held from March 24-29, 1952, exclusively for French-speaking workers in the field of civil defence.

STEVESTON, B.C., BREAKWATER

Mr. Goode:

What steps have been taken by the Minister of Public Works to call tenders for the breakwater at Steveston, British Columbia?

Mr. Fournier (Hull): Plans and specifications are being prepared.

Questions

CIVIL DEFENCE—TRAINING EQUIPMENT, ETC., SUPPLIED TO PROVINCE OF QUEBEC

Mr. Gauthier (Portneuf):

What is the total value of training equipment and supplies provided by the federal government, to the province of Quebec for civil defence purposes?

Mr. McCusker: The federal government has provided training equipment and supplies to the province of Quebec for civil defence purposes to the value of approximately $260,000.

HEALTH GRANTS—ASSISTANCE TO HOSPITALS IN PROVINCE OF QUEBEC

Mr. Gauthier (Portneuf):

1. Since the health grants program came into effect how many new general hospitals in the province of Quebec are being or have been given federal assistance, under the hospital construction grant?

2. What are the names and bed capacities of these hospitals, and how many people will they serve?

Mr. McCusker:

1. Twenty-one.

2. Name of Hospital	Number of beds	Estimated population served
Ste. Justine (pop. 1,400,000)	803	.....
Hopital Maisonneuve	478	1,400,000
Hotel Dieu de St. Joseph	238	25,000
Hotel Dieu d'Amos	224	90,000
Hopital Ste. Marie	173	68,300
Hopital St. Georges de Beauce	166	60,000
Hotel Dieu de Sorel	161	61,000
Hopital du St. Redempteur	159	50,000
Hotel Dieu de Montmagny	147	105,500
Sherbrooke	136	56,100
Hopital Lafleche	118	90,000
Hopital St. Sauveur	78	4,300
Hopital Notre Dame de Ste. Croix	65	85,000
Barrie Memorial	63	30,000
Hopital Notre Dame de Charny	59	28,000
Hopital de la Providence	53	105,000
Pontiac Community	52	19,110
Hopital Notre Dame de la Recouvrance	29	6,000
Hopital Notre Dame de Lourdes	23	1,800
Gatineau Memorial	17	10,000
Harrington (Grenfell)	16	2,500
Total	3,258	2,297,610

HEALTH GRANTS—MENTAL ILLNESS IN PROVINCE OF QUEBEC

Mr. Valois:

1. Has any contribution been made under the national health grants program for research into mental illness in the province of Quebec?

2. If so, what was the amount of such contribution?

Mr. McCusker:

1. Yes.

2. $103,636.

HEALTH GRANTS—CRIPPLED CHILDREN IN PROVINCE OF QUEBEC

Mr. Macnaughton:

1. What measures have been taken by the federal government under the national health grants program to assist crippled children in the province of Quebec?

2. What sums have been approved for this purpose since the program went into effect?

Mr. McCusker:

1. The following projects have been approved under the national health grants program to provide federal assistance to crippled children in the province of Quebec:

Assistance toward extending the services of the orthopaedic section of the hôpital du Sacre-Coeur, Cartierville;

Assistance toward extending the services of l'Ecole Cardinal Villeneuve, Quebec City;

The provision of large quantities of orthopaedic appliances to be supplied to crippled children through a number of orthopaedic centres;

Assistance toward extending the services of La Societe de Secours aux Enfants Infirmes, Montreal;

Employment of supplementary staff to extend the services of the speech therapy clinic of the Royal Victoria hospital, Montreal;

Questions

Provision of staff and equipment for the Rehabilitation Society for Cripples, Montreal;

Assistance toward extending the services of the Orthopaedic Centre of La Societe de Rehabilitation, Inc., Sherbrooke.

2. $187,377.

FAMILY ALLOWANCES IN PROVINCE OF QUEBEC

Mr. Beaudry:

1. What was the total of family allowances payments in the province of Quebec for the month of May, 1952?
2. How many children benefited by these payments?
3. How many families were involved?

Mr. McCusker:

1. $8,795,407.
2. 1,464,023.
3. 546,870.

HEALTH GRANTS—ASSISTANCE TO RESEARCH IN PROVINCE OF QUEBEC

Mr. Gauthier (Portneuf):

In respect of what research projects and in what amounts has approval been given for financial assistance to the province of Quebec, by the federal government under the national health grants program, since the program started in 1948?

Mr. McCusker:

Types of Research Projects	Expenditures
Pathological physiology in respiratory diseases	$ 86,992.56
Hormonal changes in psychiatric patients	40,610.00
Biochemical changes occurring in old people and the problems in social adjustment in an urban community	33,113.13
Home care section (pilot plan), Herbert Reddy hospital	23,079.49
Development of a new therapy by endocrines	22,200.00
Epidemiology of virus diseases	17,325.00
Biochemical changes in cerebrospinal fluid in schizophrenia	14,975.00
Social aspects of epilepsy	13,587.50
Physiological fuel value of foods	12,000.00
Frequency of histoplasmosis in the province of Quebec	11,358.98
Role of iodine deficiency and other dietary factors in the production of endemic goitre	11,014.00
Telecenphalic structures in relation to behaviour	10,000.00
Follow-up survey of neurological cases	9,475.00
Laboratory and clinical investigation with the B.C.G. prepared according to Dubos' method	8,801.06
Metabolism of zinc and silicon	8,572.32
Investigation of behaviour patterns through moving picture and magnetic tape recording	8,350.00
Neurotropic viruses	8,116.37
Genetics of diseases in children	6,926.37
Early detection of multiple sclerosis and pre-disposition of this disease	6,000.00
Streptomycin and nicotinic acid requirements in man and animals	5,680.00
Mycobacterium tuberculosis	4,789.85
Psychotherapy in sleep and electrical brain stimulation with extracranial electrodes	4,700.00
Vitamin A metabolism in the rat	4,492.51
Effect of defatting B.C.G. on its immunizing and experimental value	4,200.00
Future control of B.C.G. scarification	4,100.00
Methods of detection of tubercle bacilli in sputum by culture and addition of culture of sputum to the routine services offered by the division of laboratories	3,683.76
Brucella abortus strain in milk and humans	3,000.00
Dispersion of tubercle bacilli in the organism with the aid of radioactive isotopes	2,820.00
Selective differentiation of bacteriophage for the phage typing of staphylococcus pyogenes	2,260.00
Experimental study in the prevention and treatment of pneumoconiosis	2,150.00
Nucleoprotein metabolism in dementia praecox	1,938.53
Thiamin content of potatoes	1,638.61
Quantitative in vitro appreciation of virulence of tubercle bacillus	1,400.00
Total	$399,350.04

SHIPPING

COMMITTEE TO CONSIDER NEW TYPE OF CARGO VESSEL

On the orders of the day:

Mr. Howard C. Green (Vancouver-Quadra): I have a question for the Minister of Transport. Has a committee now been set up to work out specifications for a new type of ocean cargo ship for Canada? If so, will the minister explain the kind of committee that has been set up and the work they are to do?

Hon. Lionel Chevrier (Minister of Transport): I thought I had dealt with this subject in a general way on my estimates but perhaps I did not make it sufficiently clear. A

committee has been established composed of the maritime commission and representatives of shipping and shipbuilding interests whose object it is to study the possibility of establishing a standard cargo vessel which would meet the requirements of the shipping interests and which would be adaptable to national defence in case of an emergency. That committee is now working with the object of studying the specifications and plans for such a ship.

Mr. Green: What is to be the speed of these ships?

Mr. Chevrier: That is a matter to be determined by the committee but it should be a modern fast vessel.

NATIONAL DEFENCE

COMPASSIONATE LEAVE TO ARMED FORCES SERVING ABROAD

On the orders of the day:

Mr. George H. Hees (Broadview): I should like to direct a question to the Minister of National Defence of which I have sent notice. With reference to a news dispatch appearing in the press last night and this morning, will the department give consideration to granting compassionate leave to men serving outside of the country if a parent is dying?

Hon. Brooke Claxton (Minister of National Defence): This question is a very difficult one to deal with. The most serious consideration is given to all requests for compassionate leave. Generally speaking the practice is followed to return a soldier from the front line in Korea when a parent is ill only in cases where the return of the soldier is likely to contribute to the recovery of the parent. Otherwise men would be coming and going, often too late and often to no avail whatever. However, the most serious consideration is given to each case on its merits.

[*Later:*]

Mr. Hees: Mr. Speaker, I would like to direct a supplementary question to the Minister of National Defence based on my earlier question.

As the soldier concerned is due to return to Canada on rotation leave in August, and as his mother is only given three weeks to live, would it not be more reasonable to have him return now instead of waiting until August?

Mr. Claxton: I shall be glad to look into the matter further.

KOREA

BOMBING OF YALU POWER PLANTS—INQUIRY AS TO CONSULTATION WITH CANADA

On the orders of the day:

Mr. Alistair Stewart (Winnipeg North): I should like to direct a question to the Secretary of State for External Affairs. Was Canada consulted prior to the decision to bomb power plants on the Yalu? If not, what is Canada's position in the matter?

Hon. L. B. Pearson (Secretary of State for External Affairs): We were not consulted before this action took place. It was felt that the action, which I should point out took place in Korea, was within existing military directives, and we have been assured that it was ordered by the unified command with military considerations solely in mind.

Mr. Ferguson: It is pretty near time the government stopped trying to meddle in matters they know nothing about. Let these people get on with their job and do not try to run it from here.

COMMONWEALTH CONFERENCE

TRADE AND RESOURCES—REFERENCE TO SPEECH BY PRIME MINISTER OF AUSTRALIA

On the orders of the day:

Mr. J. G. Diefenbaker (Lake Centre): I wish to direct a question to the Prime Minister. The Prime Minister of Australia, the Right Hon. Robert Menzies, has been in Ottawa for the last few days. During his visit was any consideration given by the Prime Minister and the members of the government to the suggestion of Mr. Menzies with respect to the convening of a British commonwealth trade and resources conference? Would the government consider giving a lead in the direction of convening such a conference?

Right Hon. L. S. St. Laurent (Prime Minister): The matter of an economic conference, covering the wide field that the Prime Minister of Australia referred to in his speech before the Canadian Club yesterday, was discussed. The government of Canada will not take the initiative in calling such a conference. It might possibly be that if the government were to attempt to do so at this time it would be embarrassing to others who are considering and discussing the matter with which the Prime Minister of Australia was so much concerned.

EXTERNAL AFFAIRS

GRANTING OF VISAS TO CERTAIN ALIENS

On the orders of the day:

Mr. M. J. Coldwell (Rosetown-Biggar): I should like to direct a question to the Prime

Minister although perhaps I should have sent notice of it to the Secretary of State for External Affairs. Has the statement, published in the Toronto *Telegram* of June 23, 1952, and attributed to one Dobroslav Jevjdevic, that he had been responsible for the death of 30,000 Red partisans opposing the nazi and fascist invaders of Yugoslavia and that he wished to kill more of them, been drawn to the attention of the government? If so, does the government consider it in the public interest to permit the issue of visas to aliens who are disposed to stir up trouble in Canada against what has become, and we hope will remain, a friendly Yugoslav administration?

Right Hon. L. S. St. Laurent (Prime Minister): I must confess that I have not seen the dispatch to which the question refers. The notice of the question sent to my office was referred to the Department of External Affairs and I was informed they had taken cognizance of the report. Perhaps the Secretary of State for External Affairs has some information that he might communicate.

Hon. L. B. Pearson (Secretary of State for External Affairs): I cannot add very much except to say that a visa was granted to this Yugoslav citizen by one of our offices abroad. The circumstances of that action are being looked into. I might add that it is of course undesirable that any visitor should cause embarrassment to the government in its relations with friendly governments.

INQUIRY AS TO GRANTING OF VISAS TO VITALIS PANTENBURG AND WIFE

On the orders of the day:

Mr. G. R. Pearkes (Nanaimo): I should like to direct a question to the Secretary of State for External Affairs: Have the German scientist, Vitalis Pantenburg, and his Russian-born wife been granted a visa to enter Canada and to travel through Labrador, the Northwest Territories and the Yukon?

Hon. L. B. Pearson (Secretary of State for External Affairs): I do not know but I will look into the matter.

REGISTRATION OF UNITED STATES CITIZENS IN CANADA WTH AMERICAN AUTHORITIES—QUESTION AS TO EXTRATERRITORIAL ENFORCEMENT

On the orders of the day:

Hon. L. B. Pearson (Secretary of State for External Affairs): Yesterday the hon. member for Lake Centre (Mr. Diefenbaker) asked a question regarding the report that United States citizens in Canada were being instructed to register at United States consular offices in this country and he inquired whether any arrangements had been made with Canada to cover the enforcement of those reported regulations.

I would like to confirm what I said yesterday that there are no such arrangements, and to add that the position of the government had been made clear in this matter by a circular note dated May 6, 1947, which was sent to all foreign missions and consular offices in Canada. The pertinent portions of this circular note, which was based on section 11 of the Foreign Enlistment Act, read as follows:

> As indicated in section 11 of the Foreign Enlistment Act there is no objection in principle to a foreign representative sending a call-up notice to a person who is a national of that country and who is not a Canadian citizen. However, the view of the Canadian government, with which foreign representatives will naturally wish to comply, is that such call-up notices should not give the impression that failure to obey will expose the person to penalties on Canadian soil.

AIRPORTS

GANDER, NFLD.—CONDITION AND CAPACITY OF AIRSTRIPS

On the orders of the day:

Mr. W. J. Browne (St. John's West): I should like to direct to the Minister of Transport a question of which I have already given him notice. I should like to know if the statement appearing in an editorial in a recent issue of the *Daily News* of St. John's, Newfoundland, is correct, namely, that two of the runways at Gander airport necessary for landing and take-off in cross winds cannot be used by the large aircraft now in use on the international routes. Further, I should like to ask if he has any comment to make on the suggestion contained in the editorial that Mr. Chevrier's department would be quite happy to see Gander by-passed and thus be relieved of the obligation for its maintenance.

Hon. Lionel Chevrier (Minister of Transport): Mr. Speaker, just a few minutes before I came into the house the hon. member sent me the clipping to which he has referred. The article is not only inaccurate but it is untrue. In the first place there is nothing abnormal about not being able to operate aircraft in cross winds on certain strips. There is a main strip at Gander on which the government has spent a substantial sum of money and which is capable of taking any loads and any aircraft which may be used on any occasion. There is absolutely nothing the matter with that airstrip.

It is a fact that the two airstrips referred to have been affected by the frost and we have definite plans for the development of the Gander airport. That is indicated by the fact

that we have already spent several millions of dollars there. We have in hand now a proposal with reference to the town site which we are discussing with the provincial authorities. This is not indicative of our by-passing Gander. Not only are the contents of the article untrue, but quite the converse is the fact.

UNEMPLOYMENT INSURANCE

INQUIRY REGARDING INSURANCE BOOKS FOR STUDENTS

On the orders of the day:

Mr. C. W. Hodgson (Victoria, Ont.): I would like to direct a question to the Minister of Labour (Mr. Gregg). Is it compulsory for students to have unemployment insurance books and if not, what is the procedure?

Hon. Milton F. Gregg (Minister of Labour): I shall be glad to get the information and provide an answer for the hon. member tomorrow.

MEMBERS OF PARLIAMENT

PROVISION FOR RETIRING ALLOWANCES

Right Hon. L. S. St. Laurent (Prime Minister) moved the second reading of Bill No. 392, to provide retiring allowances, on a contributory basis, for persons who have served as members of the House of Commons of Canada.

Mr. E. D. Fulton (Kamloops): Mr. Speaker, I wish to indicate once more that I am not opposed to a scheme to provide pensions for members of parliament but I am opposed to the present plan.

My reasons are that I am convinced, as a result of the discussions and the evidence presented in the banking and commerce committee, that the present scheme can and should be modified by way of an age floor and some restrictions on the rights to withdrawal so as still to permit a substantial pension benefit to members while at the same time reducing if not eliminating the proposed level of treasury contributions and thus removing from the scheme those features which, as I see them at present, must subject parliament itself to damaging criticism.

I have pressed these views as vigorously as possible both here and in the banking and commerce committee and from what has followed I can only conclude that my views are not generally shared.

Some hon. Members: Hear, hear.

Mr. Fulton: Having pressed them already to the best of my ability I do not propose to cause further delay by repeating them again in detail here, but I ask you, sir, and my colleagues, simply to accept this as an expression of my continued opposition to the present proposal for the reasons already given.

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

Mr. Green: On division.

Mr. St. Laurent: If there is to be a division I think we should see where the dividing line falls.

The house divided on the motion (Mr. St. Laurent) which was agreed to on the following division:

YEAS

Messrs:

Adamson
Anderson
Applewhaite
Ashbourne
Balcer
Bater
Beaudoin
Bennett
Beyerstein
Black (Chateauguay-Huntingdon-Laprairie)
Black (Cumberland)
Blackmore
Blair
Blanchette
Blue
Boisvert
Bonnier
Bourget
Bradette
Bradley
Breton
Brooks
Brown (Essex West)
Bruneau
Bryce
Byrne
Cameron
Campney
Cardiff
Carroll
Carter
Casselman
Catherwood
Cauchon
Cavers
Charlton
Chevrier
Claxton
Cleaver
Cloutier
Coldwell
Conacher
Corry
Cote (St. Jean-Iberville-Napierville)
Cote (Verdun-La Salle)
Courtemanche
Coyle
Crestohl
Croll
Cruickshank
Darroch
Decore
Deslieres
Dewar
Dickey
Dinsdale
Dube
Dumas
Dupuis
Eyre
Fair
Ferguson
Ferrie
Fleming
Fournier (Hull)
Fraser
Fulford
Gardiner
Gauthier (Lake St. John)
Gauthier (Portneuf)
Gauthier (Sudbury)
Gillis
Gingras
Gingues
Gour Russell)
Gourd (Chapleau)
Gregg
Hansell
Harkness
Harris (Grey-Bruce)
Harrison
Healy
Hees
Helme
Henderson
Hodgson
Howe
Hunter
James
Jeffery
Johnston
Jones
Kirk (Antigonish-Guysborough)
Kirk (Digby-Yarmouth)
Knight
Knowles
Lafontaine
Laing
Langlois (Berthier-Maskinonge)
Langlois (Gaspe)
Larson
Leduc
Lennard
Little
Low
Macdonald (Edmonton East)
Macdonnell (Greenwood)
MacInnis
MacNaught
McCann
McCubbin
McCulloch
McCusker
McIlraith
McIvor

Members of Parliament—Pensions

McLean (Huron-Perth)	Schneider
McLure	Shaw
McWilliam	Sinclair
Major	Sinnott
Martin	Smith (Moose Mountain)
Masse	Spence
Mayhew	Starr
Monette	Stewart (Winnipeg North)
Montgomery	Stuart (Charlotte)
Mott	Thomas
Murphy	Tremblay
Murray (Cariboo)	Tustin
Murray (Oxford)	Valois
Nadon	Viau
Nowlan	Ward
Pearson	Warren
Picard	Weir
Prudham	Welbourn
Quelch	White (Hastings-Peterborough)
Ratelle	
Richard (Ottawa East)	White (Middlesex East)
Riley	Whiteside
Roberge	Whitman
Robinson	Winkler
Ross (Souris)	Winters
Rousseau	Wood
Rowe	Wright
St. Laurent	Wylie—170.

NAYS

Messrs:

Churchill
Fulton
Green—3.

During the taking of the vote:

Mr. Sinnott: Where is the hon. member for Lake Centre?

After the taking of the vote:

Bill read the second time and the house went into committee thereon, Mr. Beaudoin in the chair.

On section 1—*Short title.*

Mr. McIvor: I should like to ask the Prime Minister a question. If anyone does not want to receive this pension, he does not need to receive it, and his contribution will be given back to him?

Mr. St. Laurent: As I understand it, under the provisions of the bill, those who do not receive a pension get their contributions back without interest.

Section agreed to.

Sections 2 and 3 agreed to.

On section 4—*Amounts to be credited to the account.*

The Chairman: Shall clause 4 carry?

Mr. Fulton: On division.

The Chairman: On division.

Section agreed to on division.

Sections 5 to 10 inclusive agreed to.

On section 11—*Amount of allowance.*

The Chairman: Shall clause 11 carry?

Mr. Fulton: On division.

[Mr. St. Laurent.]

The Chairman: On division.

Section agreed to on division.

Section 12 agreed to.

On section 13—*Withdrawal allowance if member expelled.*

The Chairman: Shall clause 13 carry?

Mr. Fulton: On division.

The Chairman: On division.

Section agreed to on division.

Sections 14 to 18 inclusive agreed to.

Title agreed to.

The Chairman: Shall the bill carry?

Mr. Fulton: On division.

The Chairman: Carried on division.

Bill reported.

Mr. Speaker: When shall the bill be read the third time?

Mr. Fulton: Next sitting.

WAR RISKS INSURANCE

ESTABLISHMENT OF MARINE AND AVIATION ACCOUNT

Hon. Alphonse Fournier (for the Minister of Finance) moved that the house go into committee to consider Bill No. 336, respecting marine and aviation war risks insurance and reinsurance agreements.

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

On section 1—*Short title.*

The Chairman: Perhaps I should point out that this bill has been carefully considered by the banking and commerce committee and was reported as amended.

Mr. Macdonnell (Greenwood): When this bill was up for consideration before, while we entirely approved the purposes of it, it seemed that it was not really legislation; it was more like a licence to the government to legislate in any way it wanted to. In other words, it seemed that it was much too widely expressed. Some concession has been made to that view. There is an amendment which will be made, I believe, when we come to section 3. When we come to that section, I will add a word or two.

Section agreed to.

Section 2 agreed to.

On section 3—*Insurance and reinsurance agreements.*

The Chairman: Shall clause 3 as amended carry?

Mr. Sinclair: Since hon. members for the most part have the bill as printed on first reading, they have not the one amendment which was made in the banking and commerce committee. We discussed this bill in three of our meetings. The hon. member for Eglinton and the hon. member for Greenwood asked that section 3 be made more specific by the inclusion after the words "the minister" of the following words:

for the purpose of securing that ships and aircraft are not laid up and that commerce is not interrupted by reason of lack of insurance facilities.

The rest of the section is as it is in the bill which hon. members have.

Mr. Macdonnell (Greenwood): The objection which we raised and which was further discussed in committee was, as I said, to the wide-open wording of the bill. We drew to the attention of the committee that the corresponding English legislation seemed to be more specific. We should like to have had more by way of addition, but nevertheless this is a concession to the view which we put forward. We may, so to speak, take it on account. At some later time this legislation may be subject to further amendment but that is not a matter for discussion now.

Section as amended agreed to.

Sections 4 to 8 inclusive agreed to.

On the title.

Mr. Macdonnell (Greenwood): I want to raise one question on clause 8. There was an amendment proposed there by the hon. member for Eglinton (Mr. Fleming)—who is not at present in the house—which I have not got. I wonder whether the parliamentary assistant would give it to us and also the reasons for it. I do not know whether this is quite in order, but I should like it on the record.

Mr. Sinclair: As I recall it, the amendment which was put forward and which was defeated in the committee was to the effect that these agreements or reinsurance contracts between the Minister of Finance and the mutual insurance club of ship owners should contain a provision that there should be a period of 14 days after tabling in the house, within which the agreements could be annulled by joint vote of the House of Commons and the Senate. The Minister of Finance came to the committee and said that such a provision would be quite contrary to the general conception of responsible government; that the government must take responsibility for whatever contracts they may enter into under this legislation, and he pointed out further that should the actual ship owners who were insuring through their mutual insurance company—a bill for which will be back before this house on Friday night—find later that the contract could be broken unilaterally by action of the house they would probably be a little reluctant to enter into such contracts, and for that reason the Minister of Finance said that the suggested amendment was not acceptable to him, and it was voted down.

Mr. Macdonnell (Greenwood): Supplementing what the parliamentary assistant has said, I just want to put on record the fact that our view was that this amendment, which was taken from the Emergency Powers Act, was a good one. I want to put on the record that while the Minister of Finance did say that this was unusual—I think the only one instance that he knew of, and that he said was not properly applicable in this case, was the emergency powers provision—while that view prevailed, I just want to state that in our view it was sufficiently important to be adopted. I am not pursuing the matter now but I should like to put on record that we were defeated but not convinced.

Mr. Fleming: I should like to reinforce what was said by the hon. member for Greenwood and to press one point which was raised in the committee when we asked for a further amendment to the bill.

It is true that the principal section of the bill has been amended with a view to setting forth the purposes for which powers are vested by parliament in the governor in council in respect to insurance for war risks. That goes some distance in meeting the fundamental objection that some of us had to this open type of legislation. When I say "open" I mean that as submitted to the house in the first place it empowered the governor in council without limitation, and without any attempt at setting limits or bounds, to enter into contracts for this type of insurance.

There was one further provision which it seemed to me might well be inserted in the bill with a view to maintaining direct control by parliament over the exercise by the governor in council of the powers vested in him by this legislation. I refer to the precedent provided in this connection by the Emergency Powers Act, chapter 5 of the first session of 1951. There you recall, Mr. Chairman, that following the vesting of certain powers of parliament in the governor in council, parliament saw fit to attach this provision to be found in section 2 subsection 5 of that act:

(5) If the Senate and House of Commons within a period of forty days, beginning with the day on which any regulation is laid before parliament in accordance with subsection four, and excluding any time during which parliament is dissolved or prorogued or during which both the Senate and House

of Commons are adjourned for more than four days, resolve that it be annulled, it shall cease to have effect.

It would not go the whole way, but at least it would be one additional means of maintaining parliamentary control over the exercise by the governor in council of the powers vested in him by this bill if such a provision were written into it. There is a counterpart of such a provision also in the act of the United Kingdom to which frequent reference was made in the committee on banking and commerce, and from which the words were borrowed which have now been written into section 3 of the bill by way of amendment thereto. The mere provision for annulment in terms like these is not of very much effect, Mr. Chairman, unless there is some undertaking and willingness on the part of the government, as there was, you will recall, in connection with the Emergency Powers Act, to make it possible for a private member of the house to introduce one of those motions to annul.

On that occasion the Prime Minister gave an undertaking that even in spite of the difficulties that normally attend the introduction of motions by a private member, every effective opportunity would be given for this purpose if any private member indicated that he wished to bring such a motion under the provisions of section 2, subsection 5, of the Emergency Powers Act. In the case of the present bill, I urge that such an amendment should be written into it and that such an undertaking should be given on the part of the government.

I might point out in that connection also that under the British bill it is sufficient if the House of Commons alone passes a resolution to annul these contracts of insurance. It is not necessary that the resolution be passed by both houses of parliament.

In conclusion, I know I do not need to repeat what I said in the committee in speaking on both these proposed amendments, that there is no quarrel in this house, so far as I know, with providing a means of writing insurance of this kind. The risks are extraordinary and the occasion can descend upon us without warning. We must be prepared; we must take steps in advance to prepare should such unhappy emergency arise. The principle that some of us have seen in this matter, which seems to be directly raised by the wide terms in which the legislation was submitted to the house, is the issue as to how far parliament can go in vesting legislative power in the governor in council. The one amendment to this bill does help somewhat in that respect. I urge on the government again that they agree to a further amendment to the bill which, while in itself it is not completely effective, nevertheless has much to be said for it by way of maintaining parliamentary control over the exercise by the governor in council of these powers which the bill will vest in the governor in council.

Mr. McLure: May I be permitted to ask just one question? Will boats such as the ferry steamers *Abegweit, Prince Edward Island* and the *Nova Scotia*, and other boats running to Prince Edward Island, be insured, or are they already insured?

Mr. Sinclair: Unfortunately I am not familiar with the ownership of these ships. Are they publicly owned or privately owned?

Mr. McLure: Two of them are privately owned and two are government-owned.

Mr. Sinclair: As far as the privately-owned ships are concerned, the owners of the ships would decide whether they wanted to come into this Canadian Shipowners Mutual Assurance Company to cover their ships with war risk insurance in the case of hostilities or apprehended hostilities. The experience of the last war shows that private ship owners whose ships were likely to encounter war risks immediately took part in this arrangement.

As far as the government-owned ships are concerned, while they are covered by marine insurance in time of peace they too might be exposed in time of war. It would then be a government decision as to whether those government-owned ships would be placed in the pool or whether they would take the chance directly as the government does with most of its other properties.

As far as the privately-owned ships are concerned, that is a decision for their owners. The experience of the last war shows that if the owners think that there is any war risk involved they would immediately enter the pool.

Mr. McLure: Is the *Abegweit* insured? The *Charlottetown,* which was a government-owned ship, was lost in 1941 but it was insured. I was wondering whether the new ship was insured.

Mr. Sinclair: I am not qualified to answer that because marine insurance on government-owned ships would come under the Minister of Transport. My recollection is that he said last week that the government does carry marine insurance on their shipping. Of course the government does not carry insurance generally on public property throughout Canada because they can spread the risk. I shall find out from the Minister

of Transport and see that an answer is given later. Of course that matter would not come within the scope of this bill.

Section agreed to.

Bill reported, read the third time and passed.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Last night I announced that I would take up Bill No. 390, respecting currency, the Royal Canadian Mint and the exchange fund. I now find that my colleague, the Minister of Finance, is speaking at the Royal Military College, Kingston, but will be back some time during the day. I would suggest that we go into committee of supply and continue with the estimates of public works.

Mr. Macdonnell (Greenwood): Trying to take us by surprise.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF PUBLIC WORKS

Acquisition, construction and improvements of public buildings—

344. British Columbia, $2,820,000.

Mr. Green: The details on page 404 indicate a vote of $175,000 for a post office building at Vancouver. Can the minister indicate the situation at the present time with regard to the construction of this post office building?

Hon. Alphonse Fournier (Minister of Public Works): This amount is required to complete the purchase of the site, for architects' fees and other preliminary work toward the erection of a new post office building in Vancouver, B.C. The site for this building, the city block bounded by Georgia, Homer, Dunsmuir and Hamilton streets, was expropriated in 1948. The proposed building will be a four-storey structure approximately 445 feet by 257 feet with basement and sub-basement. It will be of brick construction with stone trim. The preliminary estimate of cost is $6 million and the estimated requirement for 1952-53 is $175,000. The appropriation in 1951-52 was $300,000, including funds transferred, and we spent $291,790. This vote was authorized on February 14, 1950.

Mr. Green: I am not quite clear about how the money voted last year was spent and how the money to be voted this year is to be used.

Mr. Fournier (Hull): There were three valuations made of the site which ranged from $338,650 to $582,500. Based on settlements already made, the total cost of this property is now estimated at $640,000, of which amount approximately 95 per cent has been spent. Now that we have the site we are preparing plans.

Mr. Green: Am I to understand that there has been paid for the site something like $640,000, but nothing yet has been paid for plans?

Mr. Fournier (Hull): The architects are Messrs. McCarter and Nairne, and I am told that they have not yet received payment for it.

Mr. Green: Will this vote of $175,000 all be required for the payments of architects' fees? It looks as though no money is being voted for actual construction work during the present fiscal year.

Mr. Fournier (Hull): I am told that the preparation of plans and specifications for a $6 million building takes from a year to a year and a half, so this amount would be applied on the payment of architects' fees. When the plans and specifications are completed they are approved by the Post Office Department and by the architects of the Department of Public Works. When there has been the necessary approval of the plans we will ask for an estimate to be included in the next main estimates and will then call for tenders and let the contract. My deputy says that it is expected to have an item for this in the estimates for the next fiscal year.

Mr. Green: No tenders will be called until the next fiscal year, which would be after March 31, 1953?

Mr. Fournier (Hull): That is right.

Mr. Green: When does the minister expect construction to begin?

Mr. Fournier (Hull): I do not want to tie myself to a date.

Mr. Green: Approximately.

Mr. Fournier (Hull): I would not want to give a definite date. I will let my friend know as soon as I am convinced that we can start on a certain date but I would have to know the progress made on the plans and specifications before tying myself down.

Mr. Green: Obviously it is a matter of some years. Would it be about 1955?

Mr. Fournier (Hull): My officials tell me at the end of next year we will probably be in a position to ask for tenders.

Mr. Laing: I should like to say a word on this matter not so much from the point of view of when construction is going to start as from the point of view of making some arrangement with the city of Vancouver with respect to parking and general traffic in that

area. At the present time that is one of our most congested areas. The Vancouver city council is of the opinion that something should be done to see that the pony expresses, or whoever picks up the mail in the city, should be able to get down there. About eighteen months ago we had an unsatisfactory state of affairs. The city police were haling the mail rigs into court for double parking. At the present time there is a general situation of conflict of traffic arrangements owing to the fact that west Vancouver is growing very rapidly. There is through traffic across west Vancouver that cuts clean across traffic going north and south. I hope the minister will give some consideration to that matter because in our growing city traffic and all that it means is one of our primary considerations today, and that is the most complicated area of the entire city of Vancouver.

Mr. Fournier (Hull): The hon. gentleman may be assured that we will do our best to co-operate with the city authorities with respect to traffic and parking close to that building. I have not any definite knowledge of the situation but my officials will take it under consideration.

Mr. Green: I believe there was an attempt made in that connection to get the government to participate in a plan for the setting up of parking areas by means of the payment of a local improvement tax. Private property owners were agreeable to that, but the last time I made inquiries, which I admit was some months ago, the government would have nothing to do with the plan. Here you have a department occupying a large area right in the centre of the busiest part of the city, and I believe it should co-operate in any plan of that kind. I ask the minister to look into the situation.

Mr. Fournier (Hull): We are always ready to co-operate, but I have not heard about the plan that the hon. gentleman has mentioned.

Mr. Green: I think it was investigated by the Department of Finance.

Mr. Fournier (Hull): I will call the attention of my colleague to the remarks made by the hon. member.

Mr. Green: The matter came up in connection with the payment of taxes by the dominion to various cities. The problem was whether or not payment for this purpose could be considered under the act authorizing the government to make payments in lieu of taxes.

Item agreed to.

[Mr. Laing.]

346. Unforeseen improvements, $1,200,000.

Mr. Macdonnell (Greenwood): Is this another way of saying "sundries"? I notice that last year the amount budgeted for was not wholly spent. Last year the amount in the estimates was $2,200,000 and the amount spent was $1,300,000. Could we have some explanation?

Mr. Fournier (Hull): This is the second year we have had this estimate, and it is based on past experience in the department. I will read what notes my officials have given me about this vote. This vote is required to cover works of a structural nature for which there is no specific appropriation but which cannot be charged to the maintenance vote under the allotment "repairs and upkeep", such as the installation of new elevators or air conditioning systems, construction of small additions, fire escapes, fences, major repairs such as strengthening foundations, supporting walls or floors, reconstruction of roofs and major ground improvements.

In setting up the new objects of expenditure treasury board took the stand that such works are more controllable and therefore should be distinguished from the ordinary repairs and maintenance and interior alterations required for accommodation of employees. The estimate of $1,200,000 for 1952-53 is based roughly on estimated expenditures for 1951-52. As this vote includes "unforeseen" improvements the actual expenditures will of course vary from year to year depending upon the number of projects that come to light from month to month. The estimated requirements for 1952-53 are divided, as shown in the details on page 405, as follows: At Ottawa, $300,000; other than Ottawa, $900,000.

The appropriation last year was $2,200,000 of which $1,180,703.14 was spent. That is why we have decreased the amount this year now that we have experience to guide us in the preparation of the estimate. This vote was provided for the first time in 1951-52 when the estimates were submitted in the new set-up by "objects". The amount of $2,200,000 was a tentative figure as expenditures for works of this nature for previous years had not been listed separately by the treasury office. The amount of $2,200,000 provided for 1951-52 proved to be considerably greater than the actual requirement. Using 1951-52 expenditures as a guide the estimated requirement for 1952-53 has been placed at $1,200,000 which is a reduction of $1 million compared with the preceding year. This way of presenting the estimates was adopted on the recommendation of the comptroller of the treasury and treasury board. We made these

expenditures before but they came out of a general vote. Treasury board wanted to have this special item so they could exercise a better audit and control over it.

Mr. Macdonnell (Greenwood): I am not offering any opinion for the moment whether it enables treasury board to maintain better control, but if I have understood the minister's explanation it seems to me on the face of it that it is rather open to some question. The minister said, for example, that it would enable elevators and fire escapes to be provided as well as the strengthening of foundations and so forth. Would it be fair to say that this amounts to—what shall I say—being able to fix up an estimate which is not working out according to plan? In other words, you have an estimate for a building and you find you need some more money. As I understand it, instead of going back and correcting that, which might present some difficulties, we now begin all over again with a little separate contract. I assume of course it will all be done by tender after our discussions of last autumn, but will the minister say why, from the point of view of the efficient carrying out of an original contract, it is not carried through, and not supplemented by money brought in from a special fund for an elevator, a fire escape or for strengthening a foundation? It may be more convenient from the point of view of treasury board but if I have understood the situation correctly it seems to present certain questions from the business point of view.

Mr. Fournier (Hull): Perhaps I was not clear enough for my hon. friend. This amount is expended as we go along. When we get reports from our architects and other officials in their districts that buildings are in a condition which they could not foresee when the estimates were prepared, we have to give out a contract for instance to reinforce a foundation.

We follow the same procedure with this vote as with others. We have plans and specifications prepared, tenders called for, and the lowest tender gets the contract. These additional works are not foreseen in the preparation of the estimates. When you have assets in construction as considerable as public works have you cannot think of everything or foresee everything that is going to happen to a building. This was experimented with last year and we had to follow the decision of treasury board. They wanted to have this special vote and follow each project as it goes along. The matter is submitted to treasury board before we can get an allotment to cover these works.

Perhaps I am still not explaining it as clearly as I should but you will recall that under the old procedure the vote was indefinite. Here, you know exactly what the vote is for. You will see that last year we had a vote of $2·2 million and spent $1·1 million. This year we brought it down to that level. In these matters we are guided by the officials of the Department of Finance and by the treasury board. Hon. gentlemen know we cannot touch these amounts even when voted by parliament without the specific approval of the comptroller of the treasury and the treasury officers who are stationed in each department.

This change resulted from their recommendation. Not being expert in these matters, once more I relied on their advice in the preparation of these estimates.

Mr. Macdonnell (Greenwood): The minister is so persuasive. Nevertheless, when he says this is for unforeseen contingencies, it cannot be unforeseen that they will need an elevator or fire escape or strong foundations. Would the minister give us an example of where this fund was used?

Mr. Fournier (Hull): Here is a better explanation and I see it more clearly myself. The treasury board and the comptroller of the treasury have taken the words out of the vote we had for maintenance and repairs —that is our general vote for these buildings. They said: This vote is required to cover works of a structural nature for which there is no specific appropriation but which cannot be charged to the maintenance votes under the allotment for repairs and upkeep, such as: installation of new elevators or air conditioning systems, construction of small additions, fire escapes, fences, etc., major repairs such as strengthening foundations, support walls or floors, reconstruction of roofs and major ground improvements.

Mr. Macdonnell (Greenwood): Can the minister give us one illustration?

Mr. Fournier (Hull): I can try to get from my officials a list of what was done but I have not got the list this morning.

The Chairman: Shall the item carry?

Mr. Macdonnell (Greenwood): Let the item stand until we get that information.

Mr. Black (Cumberland): There is one matter about which I would like to ask under this heading of unforeseen expenditure.

Mr. Fournier (Hull): If the item is to stand I would rather try to get on with something else.

Mr. Macdonnell (Greenwood): I do not want to hold this up and I think the minister can probably give us an illustration very easily.

Mr. Fournier (Hull): I am supposed to do everything very easily, but if you want a list I will have to put my officials to work and make out a list for one year. I will send it to you by mail—registered mail.

Mr. Macdonnell (Greenwood): I did not ask for a list; I asked for one illustration. I am ready to let this go through if the minister will say that he will give me this illustration later.

Mr. Fournier (Hull): I will.

Mr. Black (Cumberland): I would like to bring the attention of the minister to the condition of the lawns surrounding the parliament buildings.

Mr. Fournier (Hull): The lawns?

Mr. Black (Cumberland): Yes.

Mr. Fournier (Hull): They come under the federal district commission. In 1933 parliament took this vote away from me and handed it over to the federal district commission with an appropriation of I think $100,000. I have nothing to do with the grounds around the parliament buildings.

Mr. Green: You don't cut the grass out in front.

Mr. Fournier (Hull): I have stopped that.

Mr. Black (Cumberland): I can well understand why the minister does not want to assume any responsibility here because I consider the lawns disgraceful.

Mr. Fournier (Hull): You should say that to the proper department.

Mr. Black (Cumberland): You can see dandelions, plantain and other weeds growing in the lawns.

Mr. Fournier (Hull): This is another case where they are putting on public works all the odium of what takes place, but we have nothing to do with dandelions and grass on parliament hill.

The Chairman: Shall the item carry?

Mr. McLure: I would like to ask the minister a question. I may say at the beginning that I am all in favour of any vote for Ottawa—for the beautification of the capital city of Canada—but I do not understand this vote when it says $300,000 for Ottawa and then $900,000 for other than Ottawa. What does it mean by "other than Ottawa"?

Mr. Fournier (Hull): That covers our properties and buildings in different parts of Canada. Three hundred thousand dollars or part thereof is to be spent on our buildings in the city of Ottawa.

[Mr. Fournier (Hull).]

Mr. Coldwell: I wonder if I might ask a favour of the minister. I was called out but I wanted to inquire about the status of the public building at Biggar, Saskatchewan.

Mr. Fournier (Hull): The site was purchased in 1938 from Mr. McLaren for the sum of $6,500. The estimated cost of the building would be $60,000; grading and sidewalks, $1,500; supervision, $2,000; contingencies, $11,500. The contract has not been let and I am not sure but I believe that plans for this building are being prepared in the department although I cannot say at what stage they are.

Mr. Coldwell: Since 1938, you see, it has been more or less—

Mr. Fournier (Hull): On the rails.

Mr. Coldwell: —on the way. I hope the minister will see to it that plans are completed and the contract let at an early date.

Mr. Black (Cumberland): The minister says he has no responsibility for the burned up lawns, the dandelions, plantain and other weeds, but would he tell members what minister is responsible for the condition of the grounds surrounding the building?

Mr. Fournier (Hull): Certainly.

Mr. Black (Cumberland): I want to compliment whoever is responsible for the beautiful flowers there were and which will be there later this year, but the lawn is disgraceful.

Mr. Fournier (Hull): The federal district commission comes under the jurisdiction of the president of the privy council.

Mr. Black (Cumberland): Who is he?

Mr. Fournier (Hull): Well, I know I am Minister of Public Works and I know who the president of the privy council is. He is the Right Hon. Louis St. Laurent. In so far as these grounds are concerned, I was in the house in 1933 when Mr. Bennett's government thought the federal district commission had the expert people to maintain these grounds. It was thought that we did not have the right people to look after these flowers, lawns, shrubs and all of that. These activities were taken away from our department and handed over to the federal district commission. I think it was a wise move, but ever since the Minister of Public Works seems to bear the load, even though the grounds do not come under his department.

Item agreed to.

Dredging—

350. Maintenance and operation of plant and contract and day labour works, $3,077,989.

Mr. Green: This item has to do with dredging, and I would ask the minister to explain

whether anything is being done about dredging Vancouver harbour during the present fiscal year. There was some discussion on this question when the estimates of the Department of Transport were under consideration, and the minister of that department indicated that, while his department and particularly the national harbours board were very interested in that harbour, any actual dredging would have to be done by the Department of Public Works. I do not need to point out to the minister the great importance of Vancouver harbour. I do not think there is a finer harbour in Canada, possibly on this continent. There is a great deal of traffic going into and out of the harbour.

The situation has now developed that the first narrows, which is the entrance to the harbour, has to be dredged approximately five feet deeper. The necessity for this work has arisen because there are such large oil tankers being built now, which apparently run up to 40,000 tons and over. Some of the tankers are now waiting outside the harbour in order to get the tide at the right stage, although I think that is primarily because of the currents in the second narrows and not the depth of the first narrows. It is agreed on all sides that the first narrows will have to be dredged a further five feet. I am told there has been no dredging there since 1947, which is some five years ago.

This matter is urgent. The dredging will take some time. I hope the Department of Public Works is planning to commence that work during this fiscal year. Unfortunately I cannot find any vote to cover it, either in the regular estimates or in the supplementaries, but I believe it is one of the most important works that can be undertaken by the department. I hope the minister will see to it that the work is at least commenced.

Eventually, the first narrows will also have to be widened. There has been a suggestion made by responsible people in Vancouver who are interested in the harbour that a scale model of the harbour should be set up by the dominion government, and the whole question of the future development studied in that way. As the minister knows, there is a model now at the University of British Columbia for studying the currents in the Fraser river. I believe that a similar model for Vancouver harbour, including the first and second narrows, would be very beneficial. It seems this is the modern way of dealing with these harbour improvements. I believe there is such a model, for example, for the development of Niagara falls. I hope the minister will discuss with his colleagues the possibility of having a model set up and a study undertaken of the whole harbour situation.

But in the meantime this dredging is urgent. I believe the cost of dredging out a further five feet would not be very high. I have an article here from the Vancouver *Sun* of June 2, by Roy W. Brown, one of our leading journalists in British Columbia, in which he says that this dredging could be done within a year or fifteen months.

Mr. Fournier (Hull): Who said that?

Mr. Green: Roy W. Brown of the Vancouver *Sun*. He is one of the senior and outstanding journalists of British Columbia, and has a wide knowledge of harbour conditions. He says he believes the job could be done within a year or fifteen months at a cost of about a million and a half. Can the minister tell us the situation with regard to that work?

Mr. Fournier (Hull): Three bodies are interested in this project, the national harbours board, the Department of Transport and the Department of Public Works. They are actually studying the situation, but I am told the problem is more complicated and the costs would be far more extensive than those mentioned by the hon. member. The idea of having a model, such as the one prepared by national research for the currents in the Fraser river and the former one they had for Niagara falls, seems to be a good one. However, that could not be done in a short time.

Mr. Green: That suggestion would be for studying the long term plan. I should like to keep that suggestion distinct from the need for dredging right away.

Mr. Fournier (Hull): Before you can undertake the dredging of the first narrows or the enlargement of it, I am told there is need for a whole scheme and specifications to be prepared. These engineers—I am told they are good men in their line of business—are afraid that the effect of doing the work without having a complete plan and specifications or by the piecemeal method of dredging in the first narrows, would be contrary to the effect the hon. member expects from this dredging. This is one of the projects in which the department is most interested, and you may be sure that with the co-operation of national harbours board and the Department of Transport we will keep this in mind and do our best to hasten the execution of the project.

Mr. Green: What progress can be made if there is no money in the estimates?

Mr. Fournier (Hull): The study of this problem by the engineers of the three departments does not need a special estimate. When we have these plans and specifications we

certainly will, but the work will not start this year. That is the information I have. We cannot start dredging without the hydraulic studies that have to be made. I am trying to speak as an expert in this matter, but I am not. When we have a report from these people, and the model they can study, we will certainly make a decision. We will have time to have an estimate submitted to the house before starting the work.

Mr. Dickey: On this question of dredging, in view of the obviously difficult and embarrassing situation with respect to Vancouver harbour, I am sure that the minister is delighted with the fact that we do not have any dredging problems in Halifax harbour. We have, however, some important requirements for dredging in fishing harbours along the coast in Halifax county. I hope that the minister will not permit the necessity of finding a solution to the difficult and expensive problem in Vancouver to delay the important projects that we require on the east coast.

Mr. Sinclair: I should like to point out that the amount of traffic handled in Halifax could be easily handled in Vancouver with the present entry to the harbour. What the hon. member for Vancouver-Quadra and I are thinking about is the great expansion of harbour traffic which will occur when the deep-sea tankers come in to feed off the Trans Mountain oil lines. I hope that this dredging, most of which will be in my riding, will be accomplished within the next year. We expect to see in the estimates of next year a substantial item so that this work can be undertaken in the spring of next year.

Mr. Black (Cumberland): The minister has had a year in which to study the dredging requirements in the port of Pugwash in my constituency. He has shown great interest in the requirements there when I have drawn the matter to his attention on various occasions. I see there is an appropriation here of $4,166,989. That is a general appropriation. Then there are several appropriations running into hundreds of thousands of dollars, also for the St. Lawrence river $13 million, $15 million and so on.

At the port of Pugwash we have perhaps as fine a natural small harbour as there is anywhere in Canada, but there is some dredging required there. In recent weeks some of these ships carrying pulpwood, pit props and lumber have touched on the bends of the channel, which again emphasizes the necessity for some dredging. The hon. member for Vancouver-Quadra says that no dredging has been done in his harbour for five years. No dredging has been done in Pugwash since the beginning of time; but it is needed in order to improve the channel where there are bends and shallow places. I would ask the minister whether, in the last year, he has been able to give further effective study to the requirements and whether he will hold out any promise of dredging to improve conditions in Pugwash.

Mr. Fournier (Hull): The only thing that I recall is this. I believe that two years ago we had some dredging done at Pugwash to the amount of $300,000 or $400,000. Ever since then I had been under the impression that the work was completed to our satisfaction.

Mr. Black (Cumberland): That was building a wharf.

Mr. Fournier (Hull): Then we will have to have some dredging done.

Mr. Black (Cumberland): In order to justify the building of a wharf, you will have to improve the conditions in the channel.

Mr. Fournier (Hull): That is right. I will ask my officials to look into this matter.

Mr. Browne (St. John's West): Last night I made passing reference to the harbour of Renews. At the harbour of Renews the wharf is not reached easily. It will be necessary to have the place dredged. A firm there is expecting to have a big fish plant, and it will need steamers to go in to the wharf. The whole operation will be held up if the dredging is not carried out. That is the situation as to the wharf. The harbour has been surveyed for dredging and the engineer down there is completely familiar with the situation. The only question is a physical one of getting the dredge to go there. Will there be a dredge available this summer to go to Renews harbour?

Mr. Fournier (Hull): I cannot give the exact date on which dredge No. 400 will be in Renews, but I have here a program of dredging with respect to these small harbours in Newfoundland; it will take two or three weeks, using that dredge No. 400, to do the work at Renews.

Mr. Browne (St. John's West): It will be this year?

Mr. Fournier (Hull): I am told that we have the list of these different places, and that we divide them up into so many days or weeks.

Mr. Browne (St. John's West): Yes; but will Renews be done?

Mr. Fournier (Hull): I am trying to extract that promise from my own officials.

Mr. Browne (St. John's West): Thank you.

Mr. Fournier (Hull): I hope my hon. friend will not press me too much.

Mr. Browne (St. John's West): I would remind the minister that I have been at this matter since 1949. I have been three years asking for it.

An hon. Member: That is a short time.

The Chairman: Order.

Mr. Fournier (Hull): I am told that this is the tenth place on our dredging list in Newfoundland where dredge No. 400 will go and do that work. When it will reach Renews, I do not know; I cannot give an exact date.

Mr. Browne (St. John's West): That does not seem to me to be fair because it was the first one that was mentioned here. I brought this matter to the minister's attention here on the first estimates.

Mr. Fournier (Hull): I cannot say to my officials that it is not fair. The hon. member may say that to me and I will take it; but I do not like to say it to my officials.

Mr. Browne (St. John's West): I hate to say it, Mr. Chairman, but each year the matter has been brought to the minister's attention and the dredging has not been done. This year there is an annual vote there and it is just a question of getting the dredge.

Item agreed to.

Locks and dams—

353. Maintenance and operation, $355,562.

Mr. Green: Can the minister explain what type of locks and dams come under the control of his department as distinguished from those which are under the Department of Transport?

Mr. Fournier (Hull): This appropriation is required to provide for maintenance and operation of various locks and dams which were built or taken over by this department to raise or maintain water levels of the various lakes and rivers in Canada in the interests of navigation. These locks and dams are in operation during the navigation season. The list of them is as follows: Riviere du Lievre lock and dam, French river dams; Latchford dam; St. Andrews lock and dam; Cowan dam, Okanagan dam; Quinze dam; Timiskaming dam; Fryer's island dam; Lewes river dam. That is the list of the locks and dams that come under my department.

Mr. Green: The question I asked is this. Where is the line drawn between the dams and locks which are under the jurisdiction of the Department of Transport and those which come under the minister?

Mr. Fournier (Hull): One is under the canal system in the country and this is on the rivers and lakes where we are responsible for navigation. We administer the Navigable Waters Protection Act and these dams are built not on the canal system which comes under transport but on these rivers and lakes where we are responsible for navigation.

Mr. Green: There is quite a substantial increase in the repair and upkeep item which is to be found at page 413. It has gone up by nearly $200,000. Why is that?

Mr. Fournier (Hull): That is explained in this way. On the northern part of the Ottawa river, north of Timiskaming there is what they call the Quinze dam which is badly in need of repair. This year we expect to spend $198,886 on that dam. Last year it was only $33,666. That would determine where the increase in work will be done on these dams.

Mr. Bryce: I should like to renew my plea to the minister on behalf of the workmen at St. Andrews lock. I do not think many alterations have been made in conditions there since 1910. Minor regulations may have been changed, but in general they are pretty much the same. As the minister knows, the lock is operated by three lock men and an assistant superintendent. The lock is operated 24 hours a day. Each man works 12 hours. He also works seven days a week. When the men want to change from the day shift to the night shift, they have the swing shift and they work 24 hours a day. I think that situation should be changed. In this day and age we do not ask men to work 12 hours a day. These men, compared with other employees in the government service, are working a day and a half every day. The unfortunate thing about it is that, although they work only seven months a year, during that seven months they put in more hours than the average worker. Then they are laid off, and they find it difficult to get a job in the wintertime. If you take the salaries that they earn per month and divide it up on an hourly rate you will find that it amounts to about 42 cents or 43 cents an hour. That is not a very high wage in these times. The members of the civil service exchange higher salaries for security, but when these fellows are laid off after seven months' work there is no security in the job. Then, they do not have unemployment insurance, and that kind of thing.

On different occasions I have brought this before the minister and he has promised to look into it. I make an appeal now that he do something about it. If you pick up the Canada Year Book and study it you will see that the St. Andrews locks, while small, do a tremendous amount of business. I do not think I am saying anything unreasonable when I say that some of the conditions regarding employment and hours of work in respect to

the locks in the eastern part of Canada should be put into effect in the St. Andrews locks. I hope that the minister will do what he can for these men.

Mr. Fournier (Hull): I am most sympathetic to the representations made by the hon. member and I will discuss it with my officials.

Item agreed to.

Snagboats—

354. Maintenance and operation, $113,178.

Mr. Laing: I should like to say a word on this item and bring to the attention of the minister the work of the snagboats on the Fraser river. At the present time, as I recall it, a snagboat, I think it is *Samson V*, located at Westminster, is used to remove deadheads and logs from the north arm of the Fraser river particularly. I would draw to the minister's attention the situation that exists in the middle arm of the Fraser river, where apparently sedimentation has now been permitted, and there is no boat traffic through there, but it provides a basin for the airport in respect to seaplanes leaving and arriving at that point. A bad situation exists at that basin at the present time. It is practically loaded with deadheads and presents a dangerous condition for the seaplanes. I rather doubt whether the present *Samson* can enter the middle channel except at high tide, because of the very low water.

I have already spoken in the house of the very good work being done by private airplane companies. A number of them are running seaplanes out of that basin. They have moved as many as 600 men per day out of there by seaplane. A situation exists there with respect to snags which I think should be remedied. I would ask the minister whether he would pay some attention to the important seaplane base there as well as the general traffic within the north arm of the Fraser and the main arm of the New Westminster to the sea.

The Chairman: The hon. member for Queens.

Mr. Fournier (Hull): We have no snagboats in Prince Edward Island. The only snagboats we have are in the Fraser river. The *Samson* is employed in the removal of snags and obstructions from the channel of the Fraser river between Chilliwack and the gulf of Georgia, 75 miles. It is also employed in assistance in surveys and inspections and on minor repairs to floats and wharves on the Fraser river and in nearby waters.

The other snagboat, the *Essington*, keeps the Skeena and Naas rivers, and fishing grounds, clear of snags, floating logs and so forth, which foul and destroy the fishing nets and gear. I will tell my officials to look into the matter referred to by the hon. member.

Item agreed to.

Roads and bridges—

355. Maintenance and operation, $321,230.

Mr. Green: What roads and bridges come under the jurisdiction of the Minister of Public Works?

Mr. Fournier (Hull): The Burlington channel bridge, that is the one that was struck by a ship not long ago. The Kingston-LaSalle causeway; the New Westminster bridge, and other small bridges; the Great Bear river portage road. I have the list here: The Chapeau bridge on the Ottawa river between Allumette island and the mainland; Calumet-Bryson bridge, the Clair bridge in New Brunswick, which is an international bridge; the Des Joachims bridge, on the Ottawa river; the Edmonton-Alberta bridge; I think we have a certain interest in that bridge with the city of Edmonton. That is not a large amount. The city of Edmonton has charge of maintenance and repairs to this bridge. This department, the city and the Canadian National Railways company each bear one-third of the cost of repairs, and that amount of $300 would be our share in the repairs. Then, there is the bridge at Edmundston, New Brunswick, and Madawaska, Maine, an international bridge. There is also the Great Bear river, Northwest Territories, Portage road. Then there is the Notre Dame du Nord bridge, that is north of Timiskaming where the Quinze dam is; and the Chaudiere bridge in Ottawa; also the Perley bridge at Hawkesbury, Ontario; Portage du Fort, Quebec; St. Leonard, New Brunswick; Shellmouth, Manitoba; Matapedia, Quebec, and Missaguash, New Brunswick.

Mr. Green: On what basis is jurisdiction given to the minister over bridges? Is it interprovincial and international bridges? What is the basis for providing the jurisdiction?

Mr. Fournier (Hull): If the hon. gentlemen has a moment we will look at the British North America Act and we shall try to find the section under which we have the authority. I think it is section 92.

Mr. Blackmore: One o'clock.

Mr. Fournier (Hull): Let me clear this British North America Act with the hon. gentleman. I do not want to come back to it.

It is subsection 10 of section 92 of the British North America Act which reads as follows:

Local works and undertakings other than such as are of the following classes:

a. Lines of steam or other ships, railways, canals, telegraphs, and other works and undertakings connecting the province with any other or others of the provinces, or extending beyond the limits of the province;

It is under that section that all the provinces want to make me responsible—

Mr. Brooks: I had one in mind.

Mr. Fournier (Hull): The hon. member knows about this, because he has been trying to make me responsible for this work. Since confederation these works have been undertaken by the provinces or by the department itself, or the government itself, and then we maintain them.

Mr. Green: How does the Edmonton bridge come into that category?

Mr. Fournier (Hull): That was at the time when Alberta was a part of the Northwest Territories, years ago before the province was carved out. I suppose that the central government, having jurisdiction over the territories, put up a certain amount of money on that bridge, and now we are paying for the upkeep with the Canadian National Railways and the city of Edmonton.

Mr. Green: Is the minister responsible for all bridges in the Northwest Territories and the Yukon?

Mr. Fournier (Hull): No. Do not give me any more bridges than I need. I understand that the Department of Resources and Development have jurisdiction over those things.

Item agreed to.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

356. Towards international bridge over the St. Croix river between St. Stephen, N.B., and Calais, Me., the state of Maine to pay a like amount (revote), $10,000.

Mr. Stuart (Charlotte): This is a revote toward the survey of the international bridge between St. Stephen, New Brunswick, and Calais, Maine. This bridge is known as the gateway to the maritime provinces. A short time ago the deputy minister visited the particular area and was able to obtain first-hand knowledge of conditions so far as the international bridge is concerned. There is an enormous amount of traffic over the international bridge and it is increasing year by year. Although there is a very efficient staff there, the lack of proper facilities greatly slows up the examination of freight. In addition all the bus traffic passing through to the west goes through Calais, Maine, and St. Stephen as well as the bus traffic going through to Montreal.

The big problem so far as freight is concerned is the trailer trucks which bring in fruit in particular from the United States to all parts of the maritime provinces. The bridge, which was built in the horse and buggy days, is too small to take care of the traffic that has developed over the years. Although we realize there is a shortage of steel which is responsible for the delay in bringing about this improvement, we are looking forward to the day when the steel supply may be more plentiful so that the department, together with the appropriate United States department, can go ahead with the construction of what is considered to be a very necessary improvement to speed up the handling of tourist and freight traffic entering the maritime provinces. I know the minister is aware of the condition and when the steel situation improves will do what he can to look after it.

Item agreed to.

357. Towards interprovincial bridge over the Ottawa river between Pembroke, Ontario, and Allumette island, Quebec, the provinces of Ontario and Quebec each to pay one-third of the cost and maintenance thereof (revote), $50,000.

Mr. Brooks: This bridge is similar to one which we have asked the minister to consider between Campbellton and Cross Point. I should like to ask the minister what the situation is with reference to the request of the residents of the Campbellton and Cross Point districts with respect to the construction of this bridge. Has there been any agreement between the federal government and the two local governments concerned, and has responsibility for the building of the bridge been definitely settled? The minister will remember that last year the matter came up and the premier of New Brunswick was of the opinion that it was the responsibility of the federal government to construct the bridge. I believe the premier of Quebec was also of the same opinion. I noted that just before the recess the minister read a section of the British North America Act. I think it was under that section that the premier of New Brunswick believed it was the responsibility of the federal government. Has anything more been done, and has any agreement been made with the provinces concerned as to the construction of the bridge?

Mr. Fournier (Hull): The difference between the two projects is that the one mentioned in this item of the estimates is a bridge to

Morrison island on the Ottawa river between the province of Quebec and the province of Ontario. The province of Ontario has agreed verbally at least to build one-third of the bridge. There will be three bridges joining these islands. The province of Quebec has written that they will co-operate but no definite answer has been received. In the case of the proposed bridge between Campbellton and Cross Point, the two provinces say that it is not their responsibility and they will not make any contribution.

Mr. Brooks: Has the federal government definitely decided that it is not the responsibility of the federal government?

Mr. Fournier (Hull): I would not go that far and have to have the justice department give any legal advice. So far as the Campbellton and Cross Point districts are concerned, however, in order that they will not suffer I believe a ferry service is to be established under the maritime commission between the two places, and I understand that the boat is being constructed at the present time.

Mr. Brooks: Is that to be a temporary measure?

Mr. Fournier (Hull): It may be temporary, but how temporary I would not know.

Item agreed to.

Acquisition, construction and improvements of harbour and river works—

Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works listed in the details of the estimates, provided that treasury board may increase or decrease the amount within the vote to be expended upon individual listed projects—

359. Nova Scotia, $3,401,000.

Mr. Black (Cumberland): This is quite an important vote so far as the province of Nova Scotia is concerned. Some of these appropriations appear to be just token ones giving hope to the communities concerned. I have a quarrel with the minister and his department respecting the item of $150,000 for repairs and improvements to the Brooklyn breakwater in Queens county. Tenders were called for this work earlier in the season and three tenders were received. The lowest tender was that of MacDonald and McIsaac in the amount of $165,000. The next lowest was that of the Tidewater Construction Company in the amount of $178,000. These are both Nova Scotia firms. The highest tender was from T. C. Gorman and Company in the amount of $192,000. I am particularly interested in this breakwater even though it is not in my constituency. The tender of MacDonald and McIsaac called for the use of Wallace stone at a price of $27,000 below the highest tenderer. Wallace stone has been used for breakwaters, bridges and seawalls for one hundred years and more. It has been used in the biggest works in New Brunswick, Prince Edward Island and Nova Scotia.

There is no question as to the quality of the stone produced at the Wallace stone quarries in Cumberland county. The fact that the lowest tender envisaged the use of Wallace stone at a very much lower figure warranted the contract being given to MacDonald and McIsaac. Instead of that being done new tenders were called for from those who had submitted tenders, and instead of the contract being given to the lowest tenderer in the first instance it was given to the highest tenderer, Gorman and Company, a concern owned by interests in central Canada. Their second price was $57,000 below their original tender.

The only change called for in the new specifications was that, instead of using heavy Wallace stone or local granite, concrete blocks were specified. There were only 3,500 yards of these blocks for the outer face called for, but the contractors were allowed to tender and reduce their prices on the whole structure by $57,000 for only 3,500 yards. This means they had the advantage of the prices quoted by both the other Nova Scotia contractors and were able to reduce the price by that amount, using concrete blocks as against native stone.

Anyone in the construction business or any engineer will be able to substantiate the statement that concrete blocks will not stand the erosion of sea water the same as granite or Wallace stone. Wallace stone, as I have said, has been used for this purpose for hundreds of years and the work has always stood up. Cement is in short supply. When I left Nova Scotia a few weeks ago there was a scarcity of cement with a warning that it would be even scarcer as the season advanced.

The Canadian National Railways need the revenue. I think their rate on transporting Wallace stone from Cumberland county to the Brooklyn breakwater would be $2.25 per ton. Instead of paying the Canadian National Railways $15 million or more on deficit, or refinancing their capital structure, they should be given an opportunity to earn money such as for transporting Nova Scotia stone, rather than use cement to make the composite material for these protective blocks required on the outside of the breakwater.

There is little employment at the present time at Wallace. The workmen have no war industry there and they have no major construction work at the present time and they need employment. It is my opinion, it is

their opinion, and it would be the opinion of engineers generally that artificial concrete blocks cannot be justified in place of natural stone—Wallace stone or local granite.

Contractors from outside Nova Scotia were given advantage over local contractors. They were given the advantage of knowing the prices quoted by these local contractors. The workmen in Nova Scotia, the workmen at Wallace, are denied the opportunity to quarry this stone in a community where there is no defence construction employment whatever. There is a real grievance, Mr. Chairman, and I think if the minister would examine into the whole situation he would agree with me that a mistake was made by the department in giving this contract to central Canadian contractors, and giving them the privilege of using artificial blocks made out of cement when cement is in short supply.

Mr. Fournier (Hull): I am grateful to the hon. gentleman for bringing up this case. For years he has been one of my best advisers on works in Nova Scotia and I consider his opinion very highly but this is one of those cases where my department and I thought we could make some economies.

In 1950 in the department we had an estimate prepared for this breakwater. The estimate was $150,000. We called for tenders on June 28, 1950, and I think stone was to be used in the breakwater—Wallace stone or perhaps granite. Two tenders were received —the lowest was $284,459.36; the highest was $305,589.20. My engineers were astounded at the high cost of using Wallace stone or granite for this breakwater but they held off for another year. We did not close at that price as we thought they were exorbitant tenders. On September 5, 1951, we called for new tenders. Only one bid was received— $273,484. That was still a very high price. The third time we called for tenders seriously was on November 21, 1951. We received bids ranging from $165,000 to $192,531. Well, that was still over and above our estimate and the engineers looking into the necessity of the breakwater and the quality of the materials going into it advised having the breakwater built of cement blocks so we changed the specifications and called for new tenders. We received three tenders, the lowest being $135,555.55 and the highest $152,200.

I realize that the breakwater will not be made out of Wallace stone but out of cement. My officials say that the life of this cement will compare favourably with stone if you consider the price which is paid—and we thought we would save quite a bit of money by building it that way. I think we were right there. I like stone—Wallace stone—myself, but when it became a luxury to use it on a breakwater I thought we should use other means.

With respect to those who did tender I am told that the lowest tenderer has his office in Halifax and that would be in the province of Nova Scotia. The first one was T. C. Gorman and Company. The second one was Tidewater Construction, another Halifax firm tendering at a figure of $148,408; and R. K. MacDonald and Ronald McIsaac are also in Halifax. So, the three bidders have their offices in Halifax in the province of Nova Scotia.

Now I know these Nova Scotians extend their activities outside the province and we meet them all over the country. They are very aggressive contractors and although they may have offices elsewhere I am told these are three good firms in the province of Nova Scotia.

You can compare this contract for $135,000 with the $305,000 which was the highest tender we received on the first demand for tenders. Perhaps I should have stuck to Wallace stone; I do not know; but my officials would not meet my views. The hon. gentleman knows we have spoken about this matter before. I understood the situation and that this stone was to come from the province of Nova Scotia. It should be put on certain things and they get certain preference for their works, but this amount was too large and I could not comply. I hope the next time we do put up a breakwater we will get tenders with Wallace stone at lower prices.

Mr. Black (Cumberland): I appreciate what the minister has said but I cannot agree that there is justification for using concrete blocks. I cannot agree with him that there is justification for giving the successful contractor, who may have an office in Halifax but the firm is not controlled in Nova Scotia, the advantage of the knowledge of the tenders of the other Nova Scotia firms. The lowest tender for the Wallace stone was $165,000, which showed a saving of $27,000 over the tender first submitted by this firm who was finally given the contract at $135,000.

Under those circumstances, it is my opinion it would have been only fair to allow the two Nova Scotia firms who tendered, the Tidewater Construction Company, who tendered for $148,000, and the MacDonald and McIsaac Company, who tendered for $152,000, to meet the final figure. Neither of these firms recommended concrete blocks for this work. Perhaps they would have accepted the contract at the low figure of $135,000. There was no justification for that reduction

because of the change made in the specifications by the minister or his department. I think everyone will agree with me on that. This outside firm may have had inside information—

Mr. Fournier (Hull): I do not think you are fair in that.

Mr. Black (Cumberland): —which the other two firms in Nova Scotia did not have.

Mr. Fournier (Hull): I wish to deny that. No information was given. We changed the specifications from Wallace stone to concrete blocks. Those specifications were in the requests for tenders. We gave out no information. That is another charge against the officials of my department. You name the man who gave out the information, and I shall attend to him.

Mr. Black (Cumberland): I do not want to get any man into trouble. He is in enough trouble now.

Mr. Fournier (Hull): That is a further innuendo; I do not think that is fair to the official. If you know him, give me the name. If you do not want to give it publicly, give it to me afterwards and I shall have an investigation made.

Mr. Black (Cumberland): I do not intend to give any name. I think the minister has a lot of good officials, but I think they made an error, perhaps under pressure and perhaps not. I think they made an error in changing the specifications. I am making this statement, that twenty years from now the concrete blocks will not have stood up as the natural stone would have against the washing of the sea.

Mr. Fournier (Hull): Perhaps you are right that the stone would have a longer life than the cement. I have seen stone in Nova Scotia deteriorate in certain of my buildings. I have to rebuild one right now, and it is of Wallace stone. This company with which we are signing the contract is the T. C. Gorman (Nova Scotia) Limited.

Mr. Black (Cumberland): Who are the shareholders?

Mr. Fournier (Hull): I do not know. If I had to go into who holds the shares of all the companies with whom we do business, we would have to extend our staff because the public works department does business with nearly every large firm in the country. You may be right about the life of the stone and the cement, but on the other hand I think I am right about the price. Any other information you can give me I should like to have, because if I have an official in the branch of engineers who gives out information, I want to know it.

[Mr. Black (Cumberland).]

Mr. Black (Cumberland): There is some other additional information I should like to have. There is the work at Diligent river, which is necessary. Perhaps the minister would give me some information with respect to the revote. There was $21,000 last year and $15,000 is provided this year. How much work was done on the Diligent river wharf repairs last year, and is the vote now being requested to complete that work?

Mr. Fournier (Hull): What was the name of that place?

Mr. Black (Cumberland): Diligent river, the wharf repairs, $15,000.

Mr. Fournier (Hull): This revote is required to complete the contract with Walker and Hall Limited, at $17,008.66 for repairs to the older portion of the wharf which is badly deteriorated and unsafe for public use. These repairs are necessary to ensure sufficient space for the shipment of pulpwood and lumber, which have an annual value of $120,000.

The work will consist of reconstructing the older portion of this wharf by building two native timber pilework sections 20 feet wide by 71 feet long and 20 feet wide by 85 feet long. These two sections are to be at right angles to each other and the area behind them filled and the surface gravelled. By order in council dated November 12, 1951, authority was granted to enter into a contract with the lowest tenderer, Walker and Hall Limited, of Box 1152, Halifax, Nova Scotia, for wharf repairs at Diligent river, amounting to about $17,008.66. The lowest tender was that of Walker and Hall at $17,008.66, and other tenders were received from R. A. Douglas, K. J. Cochrane, Urquhart Construction Limited, B. A. Allaby and R. P. McLeod.

Mr. Black (Cumberland): I raise no objection to the letting of this contract. I am simply inquiring as to whether the amount provided would finish the work as it should be finished. There is no question about the desirability of this work being completed.

Mr. Fournier (Hull): I am told it is to complete the job.

Mr. Black (Cumberland): There is one other item about which I should like to inquire, and that is the repairs to the wharf at Wallace, $55,000. This is an important community, and there has been a wharf there for many years. I am doubtful as to whether this appropriation will be sufficient to give this place the facility that is warranted by the importance of the community and the amount of shipping using the facilities. I should like to find out from the minister when the work is expected to be completed, and whether tenders have yet been called. If not, when will they be called?

Mr. Fournier (Hull): This work is to consist of widening the wharf to 40 feet from end to end, including the stone-filled approach, and it includes repair of the existing 311 foot outer timber section by construction of creosoted pile trestle work driven through the old cribwork. The estimated cost in this case is $55,000. Tenders will be called in the near future and the lowest tenderer will get the contract. I understand this work is necessary for the fishermen loading and landing their fishing gear and landing and shipping live lobsters for delivery by large refrigerator trucks. The work requested by the fishermen consists of widening the existing public wharf, construction of an ell, 250 feet long at its channel end, and dredging the berths on either side of the wharf to 6 and 8 feet respectively. I think tenders will be called in the near future.

Mr. Black (Cumberland): I thank the minister. There is no question about this work being justified and warranted. My only doubt is whether the amount provided is sufficient to build the wharf and to make the repairs that are warranted by the freight traffic that uses that wharf.

Item agreed to.

360. Prince Edward Island, $1,950,000.

Mr. McLure: This item is for harbour improvements, wharves, et cetera for the whole province of Prince Edward Island. A number of votes for new construction work—and they have been generous ones—have gone to Souris and Summerside. Of this fact I have no complaint whatsoever to make. Once again I wish to draw to the attention of the Minister of Public Works the fact that in Charlottetown we were promised a thorough survey of the harbour and its requirements under the Duncan commission. Their recommendation of 1926 has never yet been carried out with regard to Charlottetown harbour improvements. As they promised this survey, I should like the minister to see that we get a survey of Charlottetown harbour this year.

A partial survey was made a few years ago and they commenced making improvements at the east end of the harbour. There is a fair vote for that purpose this year. They are doing an excellent job of it. The whole harbour should have this survey and we should know what we are going to get.

There is one vital thing which we must get there, namely the marine railway slip. This is another unfulfilled promise of two different governments. We have the best location for it, and it would be the means of giving employment to our labour who have to go abroad looking for employment in the railway slip business and so on. For instance, at the present time we have there machine shops capable of doing the very best work in connection with repairs on steamers, but they cannot go below the water line. We are therefore handicapped in getting contracts even at the present time. We have, however, a couple of contracts from the defence department; that work is all for repairs above the water line. I wish the Minister of Public Works would be serious about this matter and give our harbour a survey this summer. Then we can realize whether or not we are going to have the fulfilment of these promises.

As to the marine railway slip, we would not have large ships any more than our own; but if we just had our own boats to repair and to overhaul, we would have sufficient work for our labourers and mechanics. We have the mechanics to do the work. For instance, in 1940 when the *Charlottetown* was lost, if we had had a marine railway slip we would not have lost that steamer. She was on her way to another yard to be overhauled. All of our local boats could be repaired there. At the present time they must go to Pictou, Saint John, Halifax, or Sorel, entailing greater costs. We could have a certain amount of repairs done during the summer season and also during the winter season on the boats that are in the service such as the *Brant*, the *Sorel* and others. In addition to that, we would be holding our own people and giving employment to at least 250 men per year.

I want the minister to be serious about this matter and to give it consideration. I am quite grateful for the harbour improvements that have already been started at the eastern end of the harbour, but we must have a survey here; we must have the recommendation of the Duncan commission carried out because it was their commission and they promised to fulfil the recommendations of that commission. This is one that I have been harping on here for six or seven years. Nothing much has been done about it, except that it comes up at every election. I suppose it will come up at this next one and will be promised all over again.

Mr. Fournier (Hull): While I am always ready to try to fulfil promises made 26 years ago, when I was a young man, I am nevertheless surprised that the hon. member raises this matter today; because from 1930 to 1935, when we both were sitting in the House of Commons, I do not know why he did not get these promises fulfilled. That was the time when he could have had these promises fulfilled. I would not be ready

right today to make that promise. I certainly admire the patience and tenacity of my hon. friend. For some years past he has been asking me for various works. If we look at the details we find there is an amount shown for Rustico harbour, breakwater repairs, Rustico harbour landing, a revote; that is in his riding. This year I see we have nearly $100,000 in the estimates for that harbour. It took my hon. friend a few years to convince us that we should do these works. Now we are doing them. I thought we would have a respite of at least this year before he would bring me into a survey of the whole Charlottetown harbour. I see that for Charlottetown we have $375,000 in the estimates.

Mr. McLure: I recognize that fact.

Mr. Fournier (Hull): That is for wharf reconstruction and improvements. I like to listen to my hon. friend but I cannot do everything at the same time. I cannot put up his building, his wharf and attend to his Rustico harbour all at the same time. He and I will be here for a long time yet; and as time goes on he will probably succeed in getting far more than he has obtained up until now.

Mr. Black (Cumberland): I should like to ask the minister about one or two items in the Prince Edward Island estimates. The first is with regard to the Souris breakwater repairs. I happen to have been working in the Wallace quarry quite a few years ago getting $50 a month as foreman. In that period we supplied the stone for the Souris breakwater, and for that at Summerside and other places. There is here an appropriation of $101,000, following an appropriation of $86,000 for breakwater repairs at Souris. Can the minister give us some information with regard to what is expected to be accomplished by that expenditure?

Mr. Fournier (Hull): This vote is to reconstruct the 406 foot section, 40 feet wide, adjoining the outer block of the breakwater, on the existing creosoted substructure. Work will consist of closed face timber crib, stringers, plank deck, and ballast fill. All timber except the plank deck is to be creosoted. The estimated cost is $101,000. We did work in 1951-52 up to $86,000 on this breakwater. We will be asking for tenders for this new work during the summer or the fall.

Mr. Black (Cumberland): I did not understand the minister to say how much rock is required for facing this breakwater.

Mr. Fournier (Hull): I have not the specifications, but it will be rock fill.

Mr. Black (Cumberland): It is to be rock fill?

[Mr. Fournier (Hull).]

Mr. Fournier (Hull): They say they have plenty of rock on the island.

Mr. Black (Cumberland): They have plenty of rock on the island, but any rock that I have seen on Prince Edward Island did not have a very long life. However, I am not going to say anything against it. There are two works here, Wood Island, breakwater extension; that is where the ferry is working under subsidy, and then Tignish, repairs to breakwaters. What is proposed at Wood Island? A great many tourists cross over at Wood Island. So far as the ferry steamers are concerned, they are reasonably good. They are not up to the requirements of the traffic, and the facilities, the wharf and the breakwater are certainly not adequate. I should like a statement from the minister as to what is proposed to improve the facilities.

Mr. Fournier (Hull): Construction of 200-foot extension at inner end of the east breakwater, extension to be a tied-back wall of close piles, wales, triangular fillers and galvanized wire rope ties. All timber to be creosoted. The estimated cost of the work is $18,500.

Mr. Black (Cumberland): Can the minister give me some information with respect to Tignish, repairs to breakwater on Prince Edward Island? Have tenders been called? If so, who are the successful tenderers? What is the amount?

Mr. Fournier (Hull): Proposed work and estimated cost to rebuild a 573-foot section of the south breakwater with creosoted piles, wales and sheeting, $40,000. That will be by contract. Tenders will be called. By day labour, to repair 115 feet of north breakwater at $8,000.

Mr. Black (Cumberland): Has the contract been called for that work?

Mr. Fournier (Hull): I do not think the contract is let. Perhaps the tenders have been called for it, but I cannot recall having signed any.

Mr. Black (Cumberland): Can the minister give me information later as to whether tenders have been called and whether a contract has been let? Can he give me information as to who the tenderers are and who put in the lowest tender?

Mr. Fournier (Hull): I am told that tenders have been called, but the date for having them in has not expired yet—and I cannot recall the date.

Item agreed to.

361. New Brunswick, $2,755,000.

Mr. Brooks: I want to ask the minister a general question on this item. It is gratifying to know that great improvements are to be made in the different breakwaters in the province of New Brunswick. I notice that that is also true of Prince Edward Island and Nova Scotia. Is it the general policy of the government to give special attention to these breakwaters?

Yesterday I heard the minister say, in reply to the hon. member for St. John's West, that one at Chance Harbour had been recommended by the Minister of Fisheries. With respect to the repairs to breakwaters throughout the maritime provinces, are the repairs being made as the result of recommendations from the Minister of Fisheries? If so, we feel grateful to the Minister of Fisheries because for many years we had a minister of fisheries in Canada who came from New Brunswick and we never received so much attention with respect to breakwaters as we are having at the present time. Is there a general policy now of improving all breakwaters in the maritime provinces? Are contracts being let for all these different improvements at the present time?

Mr. Fournier (Hull): When requests come in for new work or for large repairs to these breakwaters and piers we consult the Department of Fisheries. They have their officials travelling around the coast, and they know the needs of the fishermen. We do not always base our decisions on what they say, but they serve as advisers to public works. When we have to repair these breakwaters our own engineer makes that survey and he makes his report and we act on his report.

Mr. Brooks: The original recommendation comes from the Department of Fisheries?

Mr. Fournier (Hull): I would not say that. We consult them. They are our consultants, but requests come from everybody with regard to these works, from members of parliament, from the mayors, from the fishermen, from the co-operatives and so on, and then we get a report from our own engineer, and to complete the file we do consult the Department of Fisheries, and when the works are not needed, well, we hesitate before undertaking them, but usually these works are needed.

Mr. Brooks: I understood the minister to tell the hon. member for St. John's West yesterday that recommendations with respect to Chance Harbour, for instance, came from the Minister of Fisheries.

Mr. Fournier (Hull): No, the request came from the local people, and then we submitted it to the Department of Fisheries. They inquired and they made a recommendation for it.

Mr. Black (Cumberland): Has the minister a recommendation from the inspector of fisheries and the Minister of Fisheries with respect to the petition in Pugwash, Wallace and Malagash for wharves and breakwaters to give protection to the lobster fisheries in that section exposed to the storms of the Northumberland strait? I am sure the inspector of fisheries would be in accord with requests for sea protection and wharves to serve lobster fishermen in those areas. Has the minister any recollection of that?

Mr. Fournier (Hull): I cannot recall having received it, but I will look it up and if there are recommendations from fisheries they will certainly be considered, as the recommendation made by my hon. friend will.

Mr. Stuart (Charlotte): It has been suggested that the recommendations come from the Department of Fisheries with respect to breakwaters and so on. In my experience in the short time I have been here the Department of Public Works gets information that would be available from the Department of Fisheries as to the number of boats that fish out of the many ports that we have in the maritime provinces. That is information which is helpful, and it is information which I know the department makes available to the Department of Public Works. It has to do with the number engaged in fisheries in a particular port where a breakwater is erected and where improvements are asked for, the value of the fishing carried on and the protection that is required to take care of the fleet.

Item agreed to.

362. Quebec, $5,165,600.

Mr. Boisvert: I should like to say a few words on this item, and I shall speak French on the subject matter.

(Translation):

In the details of this item I see at page 423 of this book of estimates that an amount has been provided for the restoration of the wharf at Ste. Angele, which happens to be located within the constituency I am privileged to represent in this house.

I wish to take advantage of this opportunity to express my appreciation to the government, to the Minister of Public Works (Mr. Fournier) and the Minister of Transport (Mr. Chevrier) who have agreed to accept my representations regarding this wharf. This new wharf will be of immense value to the people of Nicolet-Yamaska and Lotbiniere counties and also to several neighbouring

constituencies. Moreover, on the other side of the river, the city of Three Rivers, which is located opposite Ste. Angele, will also derive great advantage from this wharf. In this respect I wish to associate the present mayor of the city of Three Rivers with the steps I have taken and which will result in the reconstruction of such an important wharf for the Three Rivers and Nicolet districts.

(Text):

Item agreed to.

363. Ontario, $5,609,000.

Mr. Cardiff: With respect to this item for Ontario, I see by the details on page 424 that there is an item of $32,000, which is a revote for Goderich harbour and an estimate of $118,000. There is an estimated $118,000 to be spent there. Will the minister tell me what is contemplated in that vote?

Mr. Fournier (Hull): This amount of $118,000 is to provide for the following: to complete urgent repairs to a portion of the mooring wharf and east harbour wall, $11,000; to reconstruct a 500-foot section of the south pier in steel sheet piling and reinforced concrete, $107,000; making a total of $118,000. The appropriation in 1951-52 was $153,000. Estimated expenditure on Canadian Dredge and Dock Company contract for reconstruction of sections of north and south piers, $113,000; day labour, $8,000, making a total of $124,484.93 including inspection, etc.

Mr. Cardiff: Has any consideration been given to moving one of the piers toward the mouth of the river in order to provide more protection?

Mr. Fournier (Hull): I am told by my deputy that he does not recall any request being made to move piers. I would not want to be definite, but that is the information given to me.

Item agreed to.

365. Saskatchewan, Alberta and Northwest Territories, $148,500.

Mr. Thomas: Would the minister check the possibility of having a wharf built at Pigeon Lake in Alberta. This wharf was originally constructed in 1935 or 1936 by piling up some rocks and placing a wooden walk on top. Whenever the ice broke up it came up under the platform and then there was nothing left but a pile of rocks. This creates a hazard, not only to those having boats there but to people using the wharf. A number of boats have been broken up on the rocks during the last few years and I cannot understand why some child has not been either seriously injured or killed by falling on the rocks. I am not asking the minister for an opinion right now, but I urge him to look into the matter and see if something cannot be done.

Mr. Fournier (Hull): I shall certainly do that.

Item agreed to.

366. British Columbia and Yukon, $6,992,000.

Mr. Gibson: Does the minister consider the dredging equipment now in British Columbia adequate for the needs?

Mr. Fournier (Hull): I am told that we have three dredges working on the coast in British Columbia, and probably if we had a fourth we could find work for it.

Mr. Gibson: You are considering the construction of another one?

Mr. Fournier (Hull): That is right.

Mr. Pearkes: I should like to refer to repairs to wharf and breakwater and improvements at Sidney, British Columbia. As the minister knows, I am always extremely conservative in my requests to the department. I thoroughly investigate each one before I make a recommendation and therefore I approach this matter with a great deal of confidence. What improvements are envisaged in connection with this important wharf, and when may we expect to have tenders called for the work?

Mr. Fournier (Hull): This amount is required to effect repairs to the wharf and breakwater, to extend the wharf and to construct a float. The proposed work and estimated cost is as follows:

Renewal of superstructure of existing wharfhead	$ 40,000
Repairs to gantry slip and two guide dolphins	25,000
Replacement of 50-foot timber breakwater	10,000
Construction of 12-ft. x 50-ft. float	3,000
Renewal of three 19-pile outer guide dolphins	15,000
Extension of wharfhead including movable slip and dolphin	55,000
Renewal of 175-foot timber breakwater	25,000
Advertising, inspection and contingencies	7,000
Total estimated cost	$180,000

We expect to call tenders some time during the fall, but the officials of the department are overworked. However, I shall see personally that they are called for as soon as possible.

Mr. Green: There are four Vancouver items on page 427, the first being False creek fishing harbour, $100,000, which apparently is a revote. Could the minister state whether anything has been done on this project? Then there is an item of $32,000 for Marpole wharf; another item for $55,000 for the seaplane landing at Sea Island, which is also

a revote, and then finally an item of $35,000 for continuation of sea wall, Stanley park. I presume that that is the yearly contribution that is made. I know this work has been under way for some years. Could the minister give us some information concerning these four votes?

Mr. Fournier (Hull): In the case of False creek, this project has been delayed owing to the difficulty in acquiring the necessary site, and opposition from interests presently operating there. Steps have been taken to acquire the land from the Squamish Indians through the Indian affairs branch of the Department of Citizenship and Immigration. Before the land is purchased it must be appraised and this is being done by the Vancouver real estate board who have been held up by the presence of snow over the area in question. That was the condition when the report was made. The difficulty there is that we must have the land before we can proceed.

Mr. Green: Do I understand the minister to say that the Indian affairs branch is going to pay the Squamish tribe for this land?

Mr. Fournier (Hull): If we buy the land, probably public works will have to pay.

Mr. Green: What amount is involved?

Mr. Fournier (Hull): The Vancouver real estate board are handling this for us.

Mr. Green: Will construction be started during the present fiscal year?

Mr. Fournier (Hull): I could not give an answer as to the date, when we have not acquired the site.

Mr. Green: Have any plans been drawn?

Mr. Fournier (Hull): No plans have been prepared as yet. We must have the site and the location before we can deal with the plans.

The next vote the hon. member asked about was that in reference to Marpole wharf. Contract plans were prepared but as they embraced a larger area than the original wharf and overran the boundaries of foreshore property allocated to the department, it has been necessary to negotiate with persons having rights on the adjoining foreshore areas before reconstruction of the wharf can proceed. It is anticipated that these legal matters will be settled in the near future and than we will be able to proceed.

The next item has to do with Sea Island. An order in council dated April 10, 1952, granted authority to enter into a contract with the lowest tenderer, the Vancouver Pile Driving and Contracting Company Limited, of 910 Dominion Bank building, Vancouver, for the construction of a seaplane landing at Vancouver, Sea island, amounting to $58,275. The highest tender was that of the Todd Construction Company Limited in the amount of $71,337.36. That work is proceeding or will proceed because the tender has been let.

Mr. Green: There is enough money in the vote to complete that work?

Mr. Fournier (Hull): We are asking for $55,000. I see the lowest tender was $58,000, so we will have to find that money somewhere.

Mr. Green: On the preceding page there is an item, "North Vancouver, Burrard inlet, to take over and enlarge harbour, $89,000". What is that?

Mr. Fournier (Hull): To take over North Shore Marine Basin Limited there is an amount of $46,750; to improve and repair existing structures, $9,250, and to enlarge boat mooring facilities, $33,000. As I understand it, we are taking over North Shore Marine Basin Limited and we are doing this work on it amounting to some $42,250.

Mr. Green: Is that the naval property which is being taken over, or is it property owned by a private firm?

Mr. Fournier (Hull): North Shore Marine Basin Limited is the only place on the north shore of Burrard inlet available to the fishing fleet for wharfage. It is a private enterprise that has provided mooring facilities for the fishing fleet at this place. Because of their limited facilities their revenue is not sufficient to pay taxes and upkeep and maintain the enterprise. They cannot carry it on. They are forced to close down, and we are taking it over so the fishing fleet will have moorage at that place.

Mr. Jones: There is an item of $1 million for Okanagan flood control. This project has been held over for a year or two now and nothing has been done. I understand the plans have been ready for some time. I should like the minister to say whether or not the work is going to start this year. We understood it was to start early in the spring, but so far nothing has been done.

Mr. Fournier (Hull): We have a vote of $1 million as our share of this work. Preliminary work, including surveys, plans, specifications and acquisition of right of way, was carried out between 1948 and 1951. The actual work has been somewhat delayed because of negotiations involving right of way, and discussion with the government of the United States of America covering the protection of spawning of the blue back salmon in the Okanagan river. This question has been referred to the international joint commission. That probably would be one difficulty, and we cannot proceed before we have a decision or

report from that commission. The $1 million is supposed to be our share in these works. The other 50 per cent will be paid by the government of British Columbia.

Mr. Jones: Is it reasonable to expect that the work will be started this year?

Mr. Fournier (Hull): I hope it will be. This estimate was prepared last December, and we had a request for our share of $1 million.

Mr. Murray (Cariboo): I should like to ask a question regarding an item that has been revoted for a number of years with respect to a seaplane base at Prince George on the Fraser river. There is a great growth in aviation in that part of the country. Seaplanes land at great peril in the middle of the stream and no facilities are provided for them. I hope this project may be carried out in the near future.

Mr. Fournier (Hull): Work on this project has been delayed pending acquisition of a foreshore reservation and obtaining agreement from the provincial government for the construction of a roadway. We are taking this matter very seriously. We are trying to hasten the procedure so all difficulties will be cleared out of the way and we may proceed. We are anxious to proceed.

Mr. Murray (Cariboo): I understand the amount of property involved is very small.

Mr. Fournier (Hull): Those are the difficult ones to settle.

Mr. Murray (Cariboo): It is more or less a matter of a ribbon of red tape.

Mr. Fournier (Hull): I do not know whether it is red tape, but in my experience we have more trouble settling the little cases than the big ones.

Mr. Murray (Cariboo): Central B.C. Airways, Canadian Pacific Air Lines and others land there and the lives of pilots and passengers are at hazard as the result of there being no facilities.

Item agreed to.

Harbours and rivers generally—

367. Repairs and upkeep for the maintenance of services, including reconstruction and replacements, and to authorize commitments against future years in the total amount of $660,000, no new works to be undertaken, $2,975,000.

Mr. Green: What is the relationship between this item and the group of items we have just passed? They all seem to be for repairs and upkeep of harbours and rivers. What is the distinction?

Mr. Fournier (Hull): This is a similar vote to the one in the architectural branch for maintenance and repairs of existing works. This is our maintenance and repair vote for engineering. Last night or this morning we passed a maintenance vote for buildings. This is a similar vote.

Item agreed to.

368. Fraser river—fifty per cent of the cost of investigations to be carried out by the "dominion provincial board Fraser river basin", $137,500.

Mr. Green: This item has to do with investigations being carried out by the dominion-provincial board on the Fraser river basin. Will the minister tell us what progress has been made with these investigations and when the last report was filed?

Mr. Fournier (Hull): I am told the last report came into the office yesterday, but some days ago the hon. member for Kamloops asked us what progress and what reports had been made, and I believe about ten days ago I tabled in the house the answer to the inquiry of the hon. member. I do not have it in my memory but I think the hon. member can easily get that document and see what has been done by this board.

Item agreed to.

369. Protection works generally, $300,000.

Mr. Green: Is this item to give the minister a sum from which to draw for these works, or what is the purpose of this vote?

Mr. Fournier (Hull): When the engineer reports that damage has been caused by our own works or by navigation, the repair or protection is done under this vote. We get from the engineer a report on the different places where damage has occurred from these two causes.

Item agreed to.

General—

370. Miscellaneous works not otherwise provided for, not more than $10,000 to be expended upon any one work, $440,000.

Mr. Green: What is this item for? It seems to be another type of reserve vote from which the minister can draw for general purposes.

Mr. Fournier (Hull): This vote is to cover unforeseen construction and miscellaneous works that cannot be provided for from the general vote, which is the maintenance vote I mentioned a moment ago, and which have not otherwise been provided for. The amount to be expended for any one work is not to exceed $10,000. The sum of $150,000 is to be set aside for the use of the architectural branch. Every year there are a great number of small works urgently pressed for such as engines and hoists to assist fishermen, floats, small buildings and docks costing up to $10,000 which in former years were charged to the general votes, but owing to the restricted wording of that vote, "no new

works to be undertaken", that cannot be done now. The amounts are too small to merit a special vote for such items. The increase of $90,000 is necessary because of the rising cost of labour and materials and the increase of the amount which may be spent on any one project from $7,000 to $10,000.

They are all limited to works under $10,000.

Item agreed to.

Mr. Blackmore: Mr. Chairman—

Mr. Fournier (Hull): Will the hon. member wait until we pass my supplementary estimates and then we will have the discussion which he is going to bring up.

The Deputy Chairman: Order. We now pass to the supplementary estimates for the Department of Public Works. For the convenience of hon. members the votes will be found commencing on page 12 of the supplementary estimates and the details will be found on page 38.

742. Nova Scotia, $1.

Mr. Black (Cumberland): What is the purpose of that one dollar?

Mr. Fournier (Hull): In the main estimates we expect to have a saving of more than $200,000. We are contemplating a building for customs but we are not authorized by law to take this $200,000 from the main estimates because the Halifax customs building has not been named in those estimates. So that I may get the $200,000 out of the main estimates for Nova Scotia I have to have this $1 vote approved by parliament. It is an approval to get from the treasury board a transfer from one item in the general vote to this particular project.

Mr. Black (Cumberland): Is the proposed new customs building for Nova Scotia going to be built with the best sandstone in the world, Wallace sandstone?

Mr. Fournier (Hull): Take my word for it, I am going to be very careful about the stone which will go into that building.

Mr. McLure: There is something here which I wish to draw to the attention of the committee. There is a certain amount for Nova Scotia, New Brunswick, Quebec, Ottawa, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, but there is not a five-cent piece for Prince Edward Island.

Mr. Fournier (Hull): I am not going to go into it, but if you will take the population of the island and the estimate for the island you will see that your share is quite substantial.

Item agreed to.

743. New Brunswick, $1.

Mr. Brooks: I see that New Brunswick gets its usual share here, $1. I would like to ask the minister what this item is for.

Mr. Fournier (Hull): This is to take out of the main estimate the sum of $183,000 which will not be expended, but I am not authorized by law to do that unless parliament gives me a special authority. It comes under the Financial Administration Act, I think. I have to come here and ask for a vote of $1 in order to take money out of the general vote for the Rothesay, Saint John and Sussex public buildings.

Item agreed to.

747. Manitoba, $260,000.

Mr. Knowles: What is the status of the new post office building in Winnipeg?

Mr. Fournier (Hull): Winnipeg public building—amount required $150,000. We think we can have the excavation given by contract and start the foundations of that building during the fall. We have cleared the site and now we are ready to proceed with the excavation and the foundation.

Mr. Brooks: With reference to the Rothesay post office, I would like to ask the minister if that is a new building he is putting up. It is the one we have been asking for over a number of years.

Mr. Fournier (Hull): That is my impression. I believe the building there is an old building.

Mr. Brooks: It is rented.

Mr. Fournier (Hull): This would be a new building.

Mr. Brooks: It is the one we have been asking for.

Mr. Fournier (Hull): They tell me it is a small one-storey building; and I am going to put up a nice little building in that place.

Item agreed to.

Roads and bridges—

754. Maintenance and operation—further amount required, $100,000.

Mr. Lennard: I notice this deals with the maintenance and operation of the Burlington channel bridge. Is that an amount to cover the removal of the wreckage and putting up something new?

Mr. Fournier (Hull): It is for the removal of the wreckage and the installation of a temporary bridge replacing the one that fell down. It is a temporary structure.

Mr. Lennard: It will not be similar to the other half of the bridge at all?

Mr. Fournier (Hull): It will not be permanent.

Mr. Lennard: What progress, if any, has been made on plans for a new structure to cross that channel?

Mr. Fournier (Hull): The acting minister of highways of Ontario, Mr. Dunbar, with his engineer, came to my office to discuss the future bridge. They are actually preparing plans which will be submitted to us and we will share the cost. Their object is traffic on the highway and ours is navigation. I would not dare say right now what final agreement will be arrived at, but the federal government and the province have agreed that they will share in the costs, if we can agree on the exact location and the exact plans and specifications for this high level bridge.

Mr. Lennard: I know from past conversations with the minister that he is all for this project, and I hope nothing will interfere with the early construction of a new bridge of the type that will remove the bottleneck that has existed at the channel for several years. Every time the old bridge was lifted it meant a tie-up of traffic for miles on either side. I know that in requesting this new type of bridge there is no extravagance at all. It will be an eventual economy, because the upkeep will be largely taken care of provincially. That will eventually relieve the federal government of what is now a burden.

Mr. Fournier (Hull): If I recall the conversation with the acting minister of highways for Ontario there was agreement that probably a high level bridge would meet the situation for navigation and for road traffic. On the other hand I understand it is an expensive project. We are ready to put in our share but not more than our share. We will have to come to an agreement with the province, but I think we can do it.

Item agreed to.

756. Nova Scotia, $814,000.

Mr. Black (Cumberland): I am interested in this item, which is a supplementary estimate for breakwaters and wharves in Nova Scotia. I do not say these are not warranted, but this estimate gives proof to me that there is no lack of funds available to the minister to carry out work of this kind. I am not able to put that excuse before the poor lobster fishermen and others in the various parts of my county who have petitioned for breakwater and wharf facilities to give them protection in their dangerous calling. I want to be able to justify the stand taken by the minister, if I can, and one of the main bases for the excuse he previously gave me was that he was short of funds.

Mr. Fournier (Hull): For what project was that?

Mr. Black (Cumberland): Well, in Pugwash, Wallace and Malagash the lobster fishermen require breakwaters to protect their lives when they are carrying on their hazardous occupation. The reason I have been able to give them up to now is that the minister did not have sufficient funds to undertake the work. These individual fishermen signed petitions, and these were submitted to the minister. I am just pointing out that these special appropriations in the supplementary estimates prove to me that the minister has been provided with funds to carry on works of this kind, so I am not able to give these people any explanation to justify the delay in carrying out their wishes.

Item agreed to.

758. New Brunswick, $190,000.

Mr. Brooks: I notice that on page 41 of the particulars in connection with this item mention is made of the ferry accommodation at Campbellton.

Mr. Fournier (Hull): That is the wharf for the new ferry.

Mr. Brooks: That is in place of the bridge?

Mr. Fournier (Hull): A bridge would take too long to build. This wharf will not take very long, and people will cross the river on the ferry. It is an interprovincial ferry.

Mr. Brooks: Is the federal government paying any part of the cost of construction of the ferry?

Mr. Fournier (Hull): That would not come under my department. If the hon. member will address himself to the Minister of Transport, under whom the maritime commission comes, he will get the information.

Mr. Green: I thought you did not touch ferry wharves.

Mr. Fournier (Hull): Interprovincial, but not within the province.

Item agreed to.

759. Quebec, $750,000.

Mr. McLure: I want to thank the minister for the additional amount of $12,000 for the harbour at Rustico.

Item agreed to.

761. Manitoba, $1,163,600.

Mr. Knowles: I note that item 761 includes an amount for extending a wharf in Winnipeg

North Centre. Hon. members will be surprised to find that there is a wharf in my constituency, but there is, and it is a busy one too. I note that an amount of $61,000 which is included in this item is for the extension of the Alexander avenue wharf on the Red river, Winnipeg, as has been requested by the harbour commissioners of Winnipeg and St. Boniface. I may tell the minister that we are glad to see it there. One of the things we like about the Minister of Public Works is that he says "No" three or four times, and then after a while the item appears in the estimates.

Mr. Fournier (Hull): I am not strong-willed.

Item agreed to.

763. British Columbia and Yukon, $1,028,500.

Mr. Green: In the particulars of this item at page 42, there is the sum of $400,000 for dredging at Inverness passage. Can the minister give us some details on that?

Mr. Fournier (Hull): This amount is required for dredging in Inverness passage which has silted up to such an extent that vessels can reach the wharves and docks at high tide only. Numerous requests have been received from the cannery operators and other shipping interests to alleviate the condition caused by silt brought down by the Skeena river. It is proposed to dredge a channel in Inverness passage so that shipping may have access to the cannery wharves at all tides. A preliminary estimate indicates the removal of one million cubic yards of class B material. The estimated cost is $400,000.

Mr. Green: Will that be done by contract or the government's own dredge?

Mr. Fournier (Hull): Contract.

Item agreed to.

767. To provide for balances required to complete any projects undertaken in previous fiscal years and for which no specific provision is made in the fiscal year 1952-53—further amount required, $165,000.

Mr. Blackmore: Before the minister's estimates are finally completed, I should like to express the appreciation which my constituents feel towards the minister for the construction of the new federal building. We have needed that for a long time. Now that we have it we are very glad, and we appreciate that we have not been neglected in our area by the minister.

Mr. Fournier (Hull): I do really appreciate those kind words. I believe that every time a member speaks in the house, if it is not in praise it is to give me new instructions on how the department should be run. I appreciate those kind words. I am sending over to the hon. member the details of this Coutts building for customs and immigration for his province.

This morning the hon. member for Greenwood asked me on what type of work we were spending this million dollar special vote. I have some of the cases, and a strong one which I find is in Saint John, New Brunswick. A new passenger elevator costing $46,280 was installed in the old post office building there. That is one example of the way in which we are spending wisely the money in that vote.

Item agreed to.

Mr. Fournier (Hull): I move that the committee rise, report progress and ask leave to sit again later this day.

Progress reported.

FINANCE

ADMINISTRATIVE CHANGES RESPECTING CURRENCY, THE MINT AND THE EXCHANGE FUND

Hon. Douglas Abbott (Minister of Finance) moved that the house go into committee to consider Bill No. 390, respecting currency, the Royal Canadian Mint, and the exchange fund.

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

On section 1—*Short title.*

Mr. Blackmore: Does the minister intend to make a statement?

Mr. Abbott: No. I have nothing to add to the statement I made on second reading, which was quite comprehensive. Of course the bill has been considered with some care in the banking and commerce committee.

Mr. Blackmore: Mr. Chairman, it gives me a great deal of satisfaction to be able, for the first time, to commend the minister's financial policy. In this bill the Department of Finance quite clearly indicates that it is taking definite steps toward a realistic financial system. A realistic financial system may be described or defined as one which is capable of making, in a community, what is physically possible financially possible.

Anyone who has given any serious thought to the present financial system must have realized time and again that the present system is utterly unable to make what is physically possible financially possible. As a matter of fact, when we get enough goods to make it positively certain that we ought to get on wonderfully well and have plenty of prosperity, then we are in danger of pitching into a depression in which everybody suffers. This fact indicates quite clearly that the

financial system we now operate under is utterly deficient when it comes to rendering financially possible what is physically possible.

This bill is extremely hopeful in that it indicates quite clearly that the Department of Finance and the Minister of Finance definitely recognize that the thing which gives money value is not gold. For generations people have been taught in school, from the hustings, by the bankers and by every other means of instruction that it is gold behind money that gives money value. Not until 1933 was our country courageous enough to suspend the gold redemption clause and in effect announce that from that time forward the value of Canada's money did not depend upon the capacity of anyone to redeem our money in gold.

This present act aims at suspending the parts of the Bank of Canada Act which indicate that there is virtue in gold as a means of giving value to money. In doing this, by implication our finance department is acknowledging that what give money value are goods and services in a community.

That has been the case all along. Money made of pure gold, studded with diamonds, would soon lose its value in a community where there were not sufficient goods to spend the money on and in which there were not resources enough to produce more goods as fast as those goods were consumed. Thus it has been true all along that the real value of money depended upon the things in the community upon which to spend the money.

This amendment, which we are going to be considering before long, quite definitely confesses that the value of Canada's money from this time forward is going to be recognized as dependent upon goods and services. After all, money is only a medium of exchange. It is only a claim to goods. It is only a title to goods. It can be created readily by any agent with authority to create it whenever there is need for further mediums of exchange or claims to goods.

I am thankful that the minister is able to come before the House of Commons, before I leave it, with a measure which acknowledges this first great fundamental truth about money. Just as soon as we all recognize that the value of money depends on the goods and services in a community and that therefore the amount of money which a community can have and use in active circulation in the community depends upon the amount of goods and services the community has to exchange, then we are in a position to make what is physically possible in terms of goods and services and productive capacity financially possible in terms of the money counter we use whether it be dollar bills, bank credit or whatever other medium we choose to employ.

There are three more fundamental financial principles which sooner or later a minister of finance in this House of Commons will come forward and concur in or endorse. The first of these three, that is the second great principle of a realistic financial system, is this: Money is just as sound when it is created and spent into circulation as it is when it is created and lent into circulation as practically all our money now is. Unfortunately in this act—probably not by design but because of the nature of it—that important principle is not even implied. Notwithstanding the fact that we are no longer to be relying upon gold as a backing, all our money still is to be borrowed into circulation, the assumption being that the only kind of money that is really sound is money that someone borrows from a bank. While the Bank of Canada will create the money without it necessarily having gold backing, it will not spend the money. If the government wants to use the money, it will have to borrow from the Bank of Canada or from some other bank. This principle is a trammel; it is a handicap; it stands in the way of a realistic financial system. Until a government, a parliament and a people recognize that when there is need for more purchasing power by reason of the amount of goods and services in the community to be exchanged, the government under suitable circumstances can create money debt-free and spend it into circulation to the extent to which it can balance consumption with production we shall and can never have a realistic financial system, that is a financial system capable of rendering what is physically possible financially possible. I do not propose to ask the minister to tell whether or not he agrees with this second principle of government-created debt-free money to be spent, not lent, into circulation. It is one step beyond the distance he is prepared to go; but I am glad that he is acknowledging the first principle.

The third principle of a genuinely realistic financial system is this: It is possible to take the money which is created, debt-free, and use that money to establish a stable price structure both for consumption and production, thereby stabilizing an economy. If a government does not employ that concept it is impossible for it to take adequate care of its price structure within a country; and adequate care in respect of a price structure must be taken, as everybody recognizes. If for instance, just as soon as we begin to get too many hogs in the country, the price of hogs goes down, then obviously we are

disrupting the economy and injuring it. We must be in a position to maintain a stable price for hogs or for any other commodity without subsidizing overmuch. That can be done. We want a stable price at the desired level, whatever that may be found to be; we must not have a considerable fluctuation in price, a rising and falling, which wrecks people who enter into production, as it is doing now in the Canadian economy, with most deplorable results not only for the present but for the future.

Having established the principle that money depends on goods and services for its value, that the amount of money therefore which you can have in a community depends upon the amount of goods and services you have in the country; having agreed that it is sound for a government under suitable circumstances to create money debt-free and spend it into circulation; and then having learned that a government can use that debt-free money to establish a stable price structure, you must recognize and accept the fourth principle of realistic finance, which is this: A government can use this debt-free money and put it in the hands of the people in such a way that they can buy the products your producers can produce, thereby providing them with a market. I do not propose to go any further into detail in respect of this matter. I do not think it would be quite in order, especially at the present time; but I rejoice that the minister has made the first great step, and I am telling him, the House of Commons and the country today that unless they take the other three steps, and do it soon, they will continue unable to make what is physically possible in this glorious country of ours actually financially possible for the people who live in the country. They will thus be constantly in danger of deflation or depression and of dangerous rises in price.

Mr. Macdonnell (Greenwood): I want to say a word or two about this. As the minister said when he introduced the bill it is mainly a tidying up and rather mechanical operation. The only matter which seems to be important is a matter of principle, which I will refer to later in the bill. I take it there will be no objection, when we come to section 25, which has to do with the question of the reserves of the Bank of Canada, to speak in a general way about it then. That is all I want to say at this point, Mr. Chairman.

Section agreed to.

Sections 2 and 3 agreed to.

On section 4—*Gold coins.*

Mr. Macdonnell (Greenwood): I take it that clause 4 is saying that the time may come when we do not leave our dollar, so to speak, at large, but when we give it fixed value, and we are taking the power to give it also a gold content.

Mr. Abbott: That is right.

Mr. Macdonnell (Greenwood): For example, suppose at the time we decide to set our dollar's value at 100 cents vis-à-vis the United States dollar. Then I take it that we would *ipso facto* be bound to make the gold content of our dollar the same as that of the United States dollar. I mention that merely because it makes the situation clear. Perhaps the minister might comment on that.

Mr. Abbott: That is quite correct.

Section agreed to.

On section 5—*Subsidiary coins.*

Mr. Macdonnell (Greenwood): Will the minister say a word about subsection 3, having to do with temporary alteration of composition? That is an interesting point.

Mr. Abbott: That is an order to provide for some metals other than those which are generally used in the subsidiary coins. The committee will recall that quite recently it was found that because of war demands for nickel we were unable to continue to make our five-cent piece from that metal, but were obliged to switch to steel. We were required to do that, in fact, under the emergency legislation, because the Currency Act as it then stood prescribed nickel for our five-cent coin. In view of possible future necessities of that kind it seemed desirable to provide a little more elasticity under what are really token coins, and that is the reason for the latitude which is given in this section.

Section agreed to.

Sections 6 to 9 inclusive agreed to.

On section 10—*Melting down gold coins.*

Mr. Macdonnell (Greenwood): Under this clause some anxiety was expressed lest innocent people who carry around on their watch chains gold pieces that have holes bored in them might find they were coming under the provisions of the criminal law. I think the committee felt that the danger was not very great, but I do not know whether the minister can give us any assurance on that point.

Mr. Abbott: The committee's feelings will be shared by the minister. I am sure there are a number of things which are made offences under the Criminal Code, but one of the great factors of any criminal offence is intent; and the Criminal Code, like other statutes, is enforced with common sense. I do not know of any case in which any man who has a gold piece on his watch chain has been prosecuted under the Criminal Code for defacing a coin of the realm.

Section agreed to.

Sections 11 to 15 inclusive agreed to.

On section 16—*All coins to be made at mint.*

Mr. Macdonnell (Greenwood): I take it on myself to congratulate the minister on the fact that it is still called the Royal Canadian Mint.

Mr. Abbott: It has never been called anything else.

Section agreed to.

Sections 17 to 21 inclusive agreed to.

On section 22—*Exchange fund account continued.*

Mr. Macdonnell (Greenwood): Here is where I should like to say a word or two. This I think is the most important part of the bill. What it does is consolidate in the hands of the minister the reserves which have been available for the protection of the Canadian dollar. Briefly, as I understand it, we passed an Exchange Fund Act in 1935, the chief asset of which was the profit made by the Bank of Canada at the time gold was taken over from the banks at what the hon. member for York West thought was not a fair figure. But that Exchange Fund Act was not really availed of until the war came on, when the foreign exchange control board was set up. The purpose of this section really is to vest now in the hands of the minister, under the terms of this act, the funds which have been held by the foreign exchange control board which, by the terms of this act, is being terminated.

Mr. Abbott: The foreign exchange control board was an agency of the minister, my hon. friend will recall, under the Foreign Exchange Control Act.

Mr. Macdonnell (Greenwood): As the minister points out, the foreign exchange control board was his agent, and so the situation is in no sense substantially changed. I do not think there is anything further I wish to say on that section.

Section agreed to.

Sections 23 and 24 agreed to.

On section 25—*Bank of Canada not required to maintain certain reserves.*

Mr. Macdonnell (Greenwood): I wish to make one or two observations on this section. This after all raises the question which has been raised by the hon. member for Lethbridge as to whether or not there should be any attempt to impose a check of any kind on the credit-issuing power of the financial authority.

Under the Bank of Canada Act it was provided that the bank should have a 25 per cent reserve against its notes and deposit liabilities. That was changed early in the war because it was felt at that time that it would be desirable to mobilize all our resources of gold and United States dollars in the hands of the foreign exchange control board for the purpose of protecting the position of the Canadian dollar, which at that time had been given a fixed ratio to the United States dollar of 90 cents. When we had our dollar at a fixed ratio obviously it had to be supported, and sometimes it cost money to do it.

Those of us in this house will remember that in 1947 there was quite a loss to the fund. At that time it cost the foreign exchange control board over a billion dollars of its gold and United States funds to protect our dollar. There were differences of opinion at that time as to just what course should have been followed with regard to the Canadian dollar, but there is no need to take any of the time of the committee to consider that now.

In the discussion in the banking and commerce committee yesterday this point of a fixed reserve was raised, and I should like to put this discussion briefly on the record. There is of course the view which has been expressed in this house this afternoon that money should be entirely a managed thing, that there should be no attempt to impose a check of any kind. That was discussed in the committee yesterday, and I think it would be fair to say the view of the experts was that while at the present time they felt that it was wise to leave in abeyance clause 26 of the Bank of Canada Act—in other words they did not think it was wise to reimpose the requirement of 25 per cent gold backing of the currency—nevertheless they did not go the length of saying that a reserve check of some kind was an outmoded superstition.

I was very glad to hear that, because after all there is a view very strongly held that if the regulation of the currency has no check of any kind and is left merely to the government of the day, even governments, as good as they think they are, are composed of human beings, and it may possibly be that when a difficulty comes the desire to ease the situation by inflating the currency may prevail. I am not going to pursue this at length, but I do want to have it on the record that I think the question of a reserve of some kind, a check on the

purely managed currency, should not be regarded as an outworn superstition. I think it should be seriously considered. I am not going to ask the committee to spend time considering it this afternoon. I am anxious just to put it on the record.

The danger I am pointing out is that when money is left entirely to be managed, it may have the effect of our slipping into inflation. That is a real danger. On the other hand, of course it is difficult. The question of the fixed reserve is difficult. You can travesty it. You may say: are you going to set up some kind of fixed reserve requirement and then are you going to obey it? And is the fixed requirement which has been set up to have a higher power than those who set it up and who may feel at the moment that it would be well to cast it aside? That is an argument which is made against a fixed reserve. It is easy to make it. All I wish to do at the moment is say that I was glad to observe in the committee that the view, as far as I could ascertain, in the department was that for the moment in this troubled situation they felt it was wise, as they said, to mobilize all our resources of gold and United States dollars for the purpose of having it all available as a sort of reserve to prevent any violent fluctuations in the currency which at the present time, as you know, finds its own level in the open market.

While that was their present feeling there is the possibility that in more normal times, they would revert to the thinking which was prevalent at the time the Bank of Canada was set up, namely that it was wise to set up a requirement for a fixed reserve—a reserve which would be the result of the best thinking you could give to it in normal times, when you are able to study the matter out in the most well considered manner, so as to have that as a protection to the public against the time when perhaps under stress and strain and with all kinds of abnormal situations arising, the managers of the currency, if it was under no restriction of any kind, might be tempted to take actions which in their better moments they would not take. I think that is all I want to say.

Mr. Blackmore: Will my hon. friend permit a question? I agree entirely with what the hon. member says. What disturbs me is the fact that he said, or at least I thought he said or implied, that someone suggested this afternoon that there should be no restrictions upon the issue of money. I thought as a matter of fact he was referring to me. May I point out to him that I had not said that at all. I pointed out, as I think the hon. member will recall—I know he is anxious to be completely fair—that debt-free money could be created and spent into circulation only sufficient to balance consumption with production. In other words the limiting factor would be the need of money to consume the products that were produced in the economy. If the hon. member interpreted what I said as meaning that there should be no limiting factor on the issue of money he has misunderstood, and I failed to make myself clear.

Mr. Macdonnell (Greenwood): I must confess that I have not argued this, because I have always thought the hon. gentleman's limiting factor was purely what I call management; and management according to some views which I would not share. But if in fact I have been wrong and if the hon. member does believe there should be these checks, well then I am very glad.

Mr. Blackmore: May I make another comment? I appreciate that very much. This is just the kind of thing we need in order to see eye to eye. It is absolutely true that the amount of money in circulation must not at any time be in excess of the goods which are to be bought; otherwise you will have a condition which my hon. friend described just a year ago as inflation, "too many dollars chasing too few goods." The ideal is to have the right amount of dollars chasing the right amount of goods. Social Crediters maintain that the only way in which a government can do that is by means of the technique of debt-free money. Does that answer my hon. friend?

Mr. Macdonnell (Greenwood): I do not know whether I have been living all these years as a Social Crediter without knowing it, but perhaps I had better now reiterate quite definitely that I am certain that it should be part of our economic thinking that it is desirable there should be an automatic check on the amount of credit available. If I did not make that clear I am trying to make it clear now. The other point I want to make is—

Mr. Blackmore: Before the hon. member goes on may I ask one more question? That is an excellent reply. I agree with it completely; so do all Social Crediters. Would the hon. member also believe that there ought to be an automatic check which would prevent banks and other lending institutions from taking money out of the economy when it is seriously needed? To illustrate my point may I give this example. On November 13, 1933, Hon. C. H. Cahan told an audience in Toronto that from the time of the beginning of the depression down to the time he was speaking, $932 million had been taken out of the Canadian economy, which of course accentuated the depression. A similar thing

happened in the United States. The hon. member will learn that if he reads Professor Irving Fisher's book, "100 percent Money."

Can the hon. member tell me how such withdrawal of money could be prevented in case another depression came along? How it could be done under the present financial system?

Mr. Macdonnell (Greenwood): All I can say in answer to that is that although I have great respect for the late Mr. Cahan, who was a very great lawyer, and certainly I think was an example of the species that hardly exists any longer, an old-fashioned Tory, I am not sure that I ever had any reason to think he was a great financial authority, and I am not able to give any meaning whatever to the disappearance of the $932 million. I am sorry I cannot help in that, and it would be very foolish of me to pretend that I could. I just beg leave to doubt that figure.

The other point I want to make is this. I do not know whether I should commend this or protest it. I will mention it. Section 25 gives statutory imprimatur, so to speak, to what has been the fact for ten years now; that the Bank of Canada has not been required to maintain a 25 per cent gold reserve. The section says:

> Notwithstanding section 26 of the Bank of Canada Act, the Bank of Canada is not, unless the governor in council otherwise prescribes, required to maintain a minimum or fixed reserve ratio of gold or foreign exchange to its liabilities.

There again we have legislation with the reservation that the governor in council can change it. I do not think it is wise; nevertheless, I am not going to press the matter now. I hope that this legislation will not be put away on the shelf and left too long, because my own hope is—I refer now to the meeting of the committee yesterday—that what was felt to be the sanction for this type of legislation was that we are living in disturbed times. No one thinks that we are likely to get out of those very quickly, but nevertheless I was not thoroughly convinced by that argument, and I hope that this legislation may in one form or another, on that point at any rate, or in one way or another, come before this house before too long.

Mr. Blackmore: May I say a further word in connection with this matter? One of the disconcerting facts about our whole financial set-up in Canada, a fact which is not provided against in this legislation, is that if a depression begins to come on us we have no device whatsoever whereby we can arrest the rapid withdrawal of loans by the banks and the consequent withdrawal from circulation of a large percentage of the money which the nation simply has to have to carry on its business. That is the kind of thing that occurred during the great depression in Canada and the United States. The United States could not see how in the world to get back into circulation the $8 billion—one-third of their purchasing medium—which went out of circulation just as a result of the withdrawal of loans by banks and the neglect to advance further loans.

So far as the minister's financial set-up at the present time is concerned, I think he will agree with me, being a man of much experience in this respect, that if a depression began to come on us in Canada he would be at his wits' end to know how to stop the banks withdrawing loans and thereby aggravating the very condition which was beginning to come upon us. On occasions like that, Social Crediters maintain that the government can stop that withdrawing of loans if it wisely uses the technique of debt-free money created by the state and spent into circulation where necessary. This criticism of course applies right through this bill but, in my judgment, is particularly appropriate right at this very point.

I wish to make one further suggestion to the minister. I should like to refer him, as an illustration of the soundness of the policy that Social Crediters advocate and that I am advocating here, to the Finance Act of 1914, at the commencement of world war I, and the Finance Act of 1923 which was a sort of consolidation of the Finance Act of 1914 in the light of the experience our fathers had during the first great war. The Finance Act of 1914 gave the Minister of Finance authority to create dollar bills, two dollar bills, and spend them into circulation if he saw fit. That is to be found very definitely in the report of the royal commission on banking and currency published in 1933. All members can read about the whole matter and its effect on our financial life in paragraph 47 on page 22 of that report.

I should also like to recall to the minister the important fact that under the Finance Act of 1914 the treasury of Canada issued $50 million, bought $50 million worth of wheat in Canada and lent the wheat to Great Britain. There was no financial cost whatsoever. That transaction is also recorded in paragraph 47 on page 22 of the document to which I have referred. If the minister were clothed with that power today, which, by the way, was technically taken away when the Bank of Canada was established and the Finance Act of 1923 was repealed, he would be able to do remarkable things of value in respect of the Canadian economy which at the present time he would not be free to do. The

technique of debt-free money worked admirably on that occasion and it would work admirably today.

I suggest to the minister in all seriousness that he should have his department take steps to re-enact the Finance Act of 1923 with suitable changes or modifications that would naturally result from the experience we have had in finance since 1923. If he would do that this year he would prepare himself for dealing with several serious financial problems which are likely to present themselves to us. As an illustration, when the Minister of Agriculture was faced with the problem of supporting the prices of beef, mutton and pork in Canada just before and just after the outbreak of foot-and-mouth disease, if the Minister of Finance had been armed with the Finance Act of 1923 he could have created debt-free money and purchased enough beef, pork and mutton from a sufficient number of packing plants to enable them to buy the surpluses going on the market in respect of these meats, and could have maintained the price level of meat in Canada without a ripple. He could have given that meat to Great Britain or lent it to her for ten or twenty years. He would have got it out of the Canadian economy and saved this nation hundreds of millions of dollars and a good many nights of headache for himself.

That is just how simple this thing is. It is exactly the same device that was used in world war I. If it could be used in world war I, when so many of the producers were fighting overseas and there was a natural tendency to scarcity of production, how much more successfully could it be used in 1952 when all over our economy we have a surplus of supply which is threatening a descent into a depression. I suggest that the Minister of Finance take under advisement immediately the feasibility of causing a revised version of the Finance Act of 1923 to be passed by the house. It would not displace the Bank of Canada. The Bank of Canada would go on financing consumption through loans as it now does. This other mechanism would enable the minister to create debt-free money and spend it into circulation financing consumption as the supply position in the nation justified such creation and expenditure.

Section agreed to.

Sections 26 to 31 inclusive agreed to.

Schedule agreed to.

Title agreed to.

Bill reported, read the third time and passed.

55704—239½

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF AGRICULTURE

Administration service—

1. Departmental administration, $344,433.

Mr. Blackmore: Before we leave item 1 I should like to ask the Minister of Agriculture something about the progress of the South Saskatchewan dam. It seems to me this matter is being held up altogether too long.

I would like, as preparation for the questions I wish to ask about the dam, to recall to the minister something I am sure he knows—the general set-up in which this dam should be placed.

I am not sure that all members of the house today understand as they should, and as they would if they came from the west, the situation in which Saskatchewan and Alberta find themselves. In order to appreciate the situation and the urgent need for this dam it is important to know that in the three prairie provinces there is a wide area which normally has far too little rain. The result is that sometimes we have good crops and that most times we do not have good crops. Most times the climate is too dry to produce good crops. This great area, as the minister will recall, is named the Palliser triangle. For the sake of those in the house who have not had an opportunity to hear about the Palliser triangle may I tell them just how they can find how big an area it is on the map.

The Palliser triangle in Alberta starts roughly at Banff according to some authorities and runs to a point some 30 or 40 miles north of Calgary. Then it runs northeast in a jagged line to the North Saskatchewan river where it crosses the Saskatchewan-Alberta boundary. Then it runs northeast to the junction of the North and South Saskatchewan rivers, then south to about Humboldt, then east in a jagged line to the Manitoba border near Swan River, Manitoba. It runs south on the Manitoba-Saskatchewan border to near Roblin, Manitoba, then east to lake Manitoba; then from the southern tip of lake Manitoba east to Beausejour, Manitoba, and then south to the United States boundary.

May I say to the members of the house, for the minister's sake, that all those who wish to understand the problem that is Canada's in the west must familiarize themselves with the facts about that vast uncertain area. Those who would be fair to the provinces of Saskatchewan, Alberta and Manitoba when estimating their financial capacity must be aware of the effect that

vast area has had on their public lives in every aspect, and consequently upon their financial condition.

As I have been able to gather, this great Palliser triangle was recognized to be a dangerous area for settlement long, long ago. Captain Palliser between 1857 and 1860 took a trip across this area and reported that it was not suitable for settlement, except for ranches. Hind in 1860 submitted a similar report. Professor John Macoun in 1879 similarly reported, as did Commissioner French of the R.C.M.P. in 1874. A. P. Patrick in 1879, Montague Aldous in 1881 and William Ogilvie in 1881 submitted similar reports.

I have mentioned only a few of many men. The reason I do so is to enable the members of the house to comprehend how serious a blunder the federal government committed in the years from 1900 to 1911 when they permitted wholesale settlement of that area by people who came in all through the south because certain areas in certain years made the country look prosperous and very promising.

Just in a word or two further to indicate how well men should have known how dangerous it was to let a large population go into that area may I give you some figures covering rainfall. In Medicine Hat between 1883 and 1901 the average rainfall was 8·061 inches. It is recognized everywhere that it is just next to impossible to grow crops with less than 12 inches of rainfall a year. The average rainfall in Calgary between 1885 and 1901 was 8·271 inches and for Macleod between 1896 and 1901 it was 7·735 inches.

In connection with this South Saskatchewan dam we need to go back to the year 1934. Although the federal government had permitted a great many people to come in and settle all through that Palliser triangle they did not recognize that thereby they were creating an almost impossible problem for the people who were going to administer those areas in a local way in times to come. The federal government failed to realize the tremendous responsibility it unquestionably incurred in permitting that settlement. They did not do a thing to help rehabilitate that country, to reimburse the provinces for the damage done them, until 1934 when Right Hon. R. B. Bennett's government passed the Prairie Farm Rehabilitation Act. The present minister, in my judgment, will go down in Canadian history as a man of understanding vision and great courage because he has taken the Prairie Farm Rehabilitation Act and expanded its activities in every way.

As I understand it, and the minister will correct me if I am wrong, the proposed South Saskatchewan dam is one part of a general program which the minister has designed as a means of combating this problem which has arisen in the Palliser triangle and of making up in some small measure for the losses inflicted upon Alberta and Saskatchewan through unwise federal policies of the past.

I would be glad if the minister would take enough time to lay out before the house and the country the general picture; and would he set the South Saskatchewan dam into that picture?

Mr. Diefenbaker: Would the minister allow a reference to the South Saskatchewan dam?

Mr. Gardiner: I did not interrupt the hon. member because I rather expected he wanted to make the remarks he has made and that probably he would have made them at some time; and perhaps it gives me a little time to think about the answer I can give. The proper place, of course, to discuss the matter is under item 45, major irrigation and reclamation projects in the prairie provinces.

Mr. Blackmore: If the minister cares to have the discussion then I will be perfectly happy.

Mr. Gardiner: I think it is better to do that, because after all we have been accustomed to having a sort of general discussion on the first item in the estimates. To start a particular discussion on a particular subject, such as is suggested here, would perhaps depart from that idea.

I should like, therefore, to make some general remarks concerning the discussion of the agriculture estimates. In the first place, I may say it is a rather new experience to have the agriculture estimates coming in on the last day or two of the session. In the twenty sessions I have been here it has been customary to introduce the agriculture estimates at the first or almost the first of the session, I suppose because the word "agriculture" begins with the first letter of the alphabet. The discussion on these estimates usually takes place during the session and is completed on the last day or two of the session. But on this occasion we are introducing the estimates for the first time today.

I think that is largely due to the fact, Mr. Chairman, that on the first day of this session we found it necessary to introduce a special bill which made it possible for us to discuss almost everything that had to do with the handling of farm products. We were talking about the marketing of livestock products of all kinds. From that time until now we have been discussing, either in the house or in committee, those matters which we usually

discuss at the beginning of the session. I hope it will not be necessary, therefore, to give as full consideration to some matters at this time as it might otherwise have been.

I wish to point out at this stage that the total estimates for this year, as indicated in the main estimates, amount to $60,168,475, which is just $7,373,438 less than the total estimates for last year. We are now in a position to do what we have not usually been in a position to do when we introduce the agriculture estimates, in that we have the supplementaries before us. Those supplementaries amount to $14,379,042. When that amount is added to the main estimates, the total amount is considerably more than the estimates for last year. In going through the estimates from end to end, I think it will be found that a considerable part of that increase is due to the increases in salaries which have been made. Some of the increase is associated with the fact that we have undertaken to pay the freight on feed grain again this year, and the amount in the estimates this year for that purpose is more than a million dollars higher than it was last year.

There are other items which we will come to as we go through the estimates which will account for any increases which have been made, but generally speaking it was our intention this year to hold the estimates at about the same level as a year ago. The difficulties which have arisen as a result of certain diseases afflicting our livestock have made it necessary for us to change the items somewhat to provide more money in certain directions. Nevertheless the general objective was to have the estimates this year about the same as a year ago.

Some of the discussion which has taken place up to the present time in connection with agriculture has led me to give some thought, in the early stages of the discussion of these estimates, to the surpluses we have had in Canada during the past year. Those surpluses are pretty well limited to our exports. I have before me a table of the value of agricultural exports. It does not exactly indicate the volume of the different commodities, whether they have increased or decreased, but generally speaking the fact that there have been increases does indicate that there has been an increase in the quantity as well as an increase in the price.

In order to place the picture before the house with regard to surpluses, I should like to point out that the total exports of farm products in 1951 amounted to $1,018,644,000. Out of that total, $950 million is accounted for through the export of grains and fodder and the export of animals and animal products. The first accounts for $735 million, that is grain and fodder, which only leaves $215 million to be accounted for by all the livestock and livestock products exported. This only leaves $68 million to cover all other exports. It is correct to say, therefore, that in so far as exports are concerned they are related largely to our cereals, our grains and our livestock products. I suppose I could even go further and say that by far the greater part of the production on our farms is related to the same commodities.

I wanted to say that in the beginning in order to emphasize this fact, that the federal department has not had any troublesome surpluses during 1951 or 1952 down to the present. The main trouble we had with our wheat had to do in the first place with the wheat that we were carrying over from 1950, which was largely a frozen commodity and therefore had to be sold as feed whereas we are accustomed to selling it as human food. Last year our main difficulty was the season during which we had to harvest our grain crops in the western part of Canada. It was a wet season, and we found it most difficult to have our commodity harvested and stored in the usual manner and at the usual time but we did not experience any real difficulty in finding a place to market it, that is other than the difficulty that arose through the fact that it was frozen and was feed instead of being a commodity which human beings could consume. My information is that in due course we will succeed in having all that commodity marketed. I think we are having exactly the same experience we had in 1928 when we had a frozen crop. It is taking us about two years to market the crop as feed, whereas we would have counted on marketing it in one year as a commodity to be consumed by human beings.

Apart from that difficulty, we have not had any serious difficulty in finding markets. So far as the other farm products are concerned, the big one is cattle. We had a very ready market throughout all 1951 for our cattle. Fortunately we were marketing them at the highest price at which we have ever marketed cattle. That market was to be found in the United States. We marketed some 404,000 head of cattle either as live animals or as processed meat in some form or other. Therefore no difficulty was experienced in connection with the marketing of our cattle. Again, no difficulty was experienced in connection with the marketing of our hogs. A moment ago I stated that we marketed our cattle and beef at a comparatively high price, as compared with other years, in the United States. However, we marketed practically all our hogs in Canada. Throughout the whole of 1951 we marketed our hogs in Canada at

a higher price than that which United States farmers were obtaining for hogs in that country. Throughout the whole of 1951 we marketed our hogs at a price which was at least 2 or 3 cents higher than the United States price. That would also be a statement of fact with regard to the early weeks of 1952.

We are now passing through a period in which the United States price is about the same as our own, and I think would take care of the cost of getting our pork commodity down to the United States. In other words, if we were able to sell the hogs in the United States at all, we could do just about as well in the United States as we are doing in Canada. The point I wish to make is that we have not been in the position in which we have had to make any complaint about the fact that we were not able to market our staple commodities other than wheat in Great Britain.

During last year and during the early part of this season we have heard comments to the effect that we were suffering because of the fact that we have not a market in the United Kingdom at present, or did not have such a market throughout 1951. I just wish to repeat that, with regard to cattle and hogs, we had a market for all those we produced throughout the year, and that we had a market at the highest price we have ever experienced for our livestock in any year in our history. The fact of the matter is that we were not experiencing any difficulty until the foot-and-mouth disease epidemic came upon us. For some little time after that occurrence we experienced some difficulties. Those difficulties were altogether associated with the fact that an embargo had been placed on livestock which prevented them from going across the United States boundary line. Our livestock and livestock products were therefore not permitted to cross the boundary. For a time we also had great difficulty in finding storage for the meat that was created by the number of animals which were coming on to the market.

We had about 33 per cent more hogs in 1952 than in the same period in 1951. Even if we had not had the foot-and-mouth disease epidemic, it is obvious that we would have had to seek markets other than those we had a year ago for hogs. The Canadian market would not have taken all of the hogs that came to market during the first three months of 1952.

The market we had counted upon was in the United States. We figured that we would be able to market about 50 million pounds of our pork products in that country. This quantity would not have gone to the United States in the form of live hogs because of the higher prices in Canada; at least not much of it would have done so, if any. It would probably have gone in the form of cuts of pork. In the early part of the year the price for live hogs in Canada was higher than it was in the United States; but there were certain cuts of pork which could be sold in the United States at a higher level than that at which they could be sold in Canada. The reason for that is obvious. Their market is much greater than ours, and there is the possibility of selling foods of certain qualities at prices which are higher than those for which the same qualities of foods can be sold here. Whereas the whole hog would not bring as much money in the United States, there were parts of it which would bring more. We had a possible market in the United States for some 50 million pounds of those pork cuts. That market was, of course, shut off when the foot-and-mouth epidemic came upon us. That amount was all thrown back into our own market.

We have experienced more difficulty with that part of our surplus meat than with any other; and the dealing with it has been rather costly in the sense that we have had to put it in cans at costs which brought the price of the product to a figure which we cannot obtain in any part of the world that we know of. While we can sell some of it in the United States, we cannot sell it at a price representing the cost to us.

Time after time the statement has been made that this pork which has gone into cans has cost us about 64 cents a pound. I think the exact cost was 63·8 cents; and recently that figure has been reduced to 61·8 cents, which is about 2 cents lower. The costs are still going down slightly. But there is no place we know of where we can sell the commodity at that price. I am quite sure none of it can be sold in Canada at that price. I am also quite sure it cannot be sold at a price even approaching that figure in the United States. Nevertheless we have made up our minds that the commodity must be sold, and that the government will take some loss in connection with its sale. It is our intention and our hope to be able to put that commodity on the market either here or in the United States at a fairly early date; and we will be putting forth an effort to put as much of it on that market as possible.

As to beef, in the beginning our difficulty was in getting rid of it at all. We had something in the neighbourhood of 400,000 head of cattle which might have come on the market in the twelve months of this year, to be sold somewhere outside Canada. Some of it had gone before the foot-and-mouth disease came upon us, but there would be at least 250,000 head of beef cattle to be sold

outside Canada during the remainder of this year after the outbreak of foot-and-mouth disease. We at once put forth an effort to find a place to put that meat. As has already been announced to the house, we finally found a market for it in Great Britain, through arrangements which we made with New Zealand and the United States. That meat is now going forward to that market. My information is that up to the present we have taken delivery of about 30 million pounds to be delivered under that arrangement, and that about half of it or a little better has already gone forward. The remainder is in position to be shipped from day to day to the British market.

This has resulted in the market pretty well adjusting itself to I think as favourable a position as any of us had any right to hope for, say a month or two months ago. During the last few days the market has been from a cent to two cents lower than it was when the foot-and-mouth epidemic came upon us. I repeat that that is a more fortunate position from the point of view of the producer than most of us anticipated at the time that situation developed.

The meat is moving out and the amount left on the market is not giving any serious trouble. I want to express the appreciation of those who have been attempting to meet a rather difficult situation to those who have been holding their cattle off the market. During the early stages at least 25 per cent of the cattle which usually come on the market were held off. That made it easier for those who were handling the problem while negotiating the contract which was eventually entered into with the British through contacts made with New Zealand and the United States.

We were asked at the beginning of the experience to place a floor price under cattle, and we did place a floor price of 25 cents under good steers basis Montreal and Toronto. It was suggested at the time that we should have set a price of 28½ cents for choice steers, but we chose to set a floor price of 25 cents for good steers. I think I am correct in saying that a check of the market today will indicate that the price for choice steers is almost if not quite at the level that was asked for a month or a month and a half ago as a floor price.

I submit that it is better for everyone concerned that the difference between 25 cents for good steers and 28 or 29 cents which has been offered on the market in the last few years for choice steers should have resulted from activities on the market rather than from the government having said, "Well, that is the price that is going to be assured; that is the price everyone is going to obtain." In any case we considered it better to have the price set, as we have set all floor prices that have been arranged, as a saviour against loss rather than as an incentive price which might bring about greater production of the commodity. So in setting it at 25 cents we put it on a basis for the time being which we considered would safeguard those who required to market their animals and make it possible at the same time to bring about a better price level if the marketing conditions warranted. I am pleased to note that the marketing conditions have warranted it, and the situation is going along much better than we anticipated it would at the time.

I do not think it is necessary for me to say any more at this time. As we go through the estimates and consider the different items I shall attempt to answer any questions which may be asked and give fuller information, both with regard to the matters I have been discussing and any others that may be brought up. In the meantime I ask the committee to consider these different items.

Mr. Ross (Souris): Mr. Chairman, I agree with the minister when he says it is rather unusual to have the estimates of the Department of Agriculture presented at this time in the session. Ever since I have been here these estimates have been the first introduced in the committee, or nearly the first. It does seem strange to have them introduced in what we hope are the dying days of this session.

The minister pointed out that the total vote this year for his department was $60,156,475 as compared with $67,541,913 in 1951, but he pointed out also that there were supplementary estimates of some $14 million, which would bring up the total.

The minister dealt at considerable length with surpluses and gave figures as to what had been exported from this country in the way of agricultural products. Then he referred to the sale of meat in this country as the result of the foot-and-mouth disease. I notice in this afternoon's press a report of a speech made by the minister to the agricultural institute at their annual meeting, where he stated that the western cattle plague had cost Canada $20 million so far. I do not know just how the minister arrives at that figure. There was a press release some weeks ago by the dominion bureau of statistics which stated that the cattle producers of Canada had lost $39 million in the three months following the United States embargo. There seems to be quite a difference in the two figures.

I presume it would be in order to make some reference to the report of the standing committee on agriculture which dealt with the foot-and-mouth disease, because reference was made to it by the Minister of Agriculture. The report has been tabled in the house, although it does not appear in print. We held many meetings and I think it would be in order for me to refer to the report adopted by that committee. The third report reads as follows:

On April 29 your committee was instructed to inquire into and report on the subject of the prevalence of foot-and-mouth disease in the province of Saskatchewan and its attendant ramifications. Since that date, your committee has held 17 meetings and has heard the testimony of the deputy minister of agriculture, the veterinary director general and other senior officers of the department, stationed both in Ottawa and in Regina, regarding the circumstances surrounding the outbreak and spread of the disease and the measures now being employed to bring it under control.

Mr. Gardiner: I am not sure that it is in order to discuss the activities of the committee, and I should like to have a ruling from the chair on that.

The Chairman: Has the report been tabled in the house?

Mr. Ross (Souris): It was tabled.

The Chairman: If the report has been tabled and it deals with agricultural matters, I think it would be in order to discuss it. I understood the minister made passing reference to it.

Mr. Gardiner: I did not make reference to the report, I made reference to the fact that we had foot-and-mouth disease in Canada. I did not discuss the report at all.

The Chairman: If the report has been tabled it would be in order.

Mr. Ross (Souris): The report has been tabled and it deals with the administration of the Department of Agriculture. It continues:

Having considered the correspondence and records submitted together with the evidence adduced, your committee is of the opinion that the officials of the health of animals division, Department of Agriculture, followed the well defined plans laid down through long experience gained working in co-operation with their counterparts in the United States bureau of animal industry to diagnose and combat stomatitis and foot-and-mouth disease. As a result of this action, foot-and-mouth disease in Canada is definitely under control and appears to have been eradicated.

Your committee recognizes that it was and is most important that practices in Canada be similar to those in the United States so that Canadian livestock and other agricultural products may be permitted to re-enter the United States market at the earliest possible date, and commends the officials of the livestock branch, Department of Agriculture, for having adhered to those practices both with regard to diagnosing and combating the disease.

Your committee recommends continued and extensive research into all methods of diagnosis and control of animal contagious diseases in Canada.

[Mr. Ross (Souris).]

A copy of the minutes of proceedings and evidence in relation thereto is appended.

All of which is respectfully submitted.

During the discussion an amendment was moved by the hon. member for Brant as follows:

Your committee is of the opinion that the evidence available to it discloses that there has been laxity and gross negligence with respect to the carrying out of the responsibilities of the office of the veterinary director general of Canada.

That the failure of the Minister of Agriculture to assure competent performance of duty by those responsible to him has cost the Canadian farmer a serious loss in export and domestic markets.

Your committee regrets the fact that the taking of evidence was restricted to federal government employees only and feels that the scope of the inquiry should have included independent witnesses from the area of foot-and-mouth infection.

Your committee strongly recommends the urgent need in the Department of Agriculture for greater co-operation between, and utilization of, facilities at its disposal for the diagnosis of animal diseases, and as evidence of the benefits to be derived by such co-operation would cite the excellent work accomplished since February 16, 1952, to eradicate this serious threat to the Canadian livestock industry.

I would point out that there was very little difference among members of the committee as to the manner in which this problem had been handled by the officials of the health of animals branch after February 18, but there was considerable difference of opinion as to how it had been handled from the first outbreak at the end of November and early December. Then many members of the committee were dissatisfied over the fact that we were not allowed to call independent witnesses who had first dealt with this outbreak, more particularly private veterinarians and certain R.C.M.P. officials.

Dr. Christie was before the committee on the last day, and although he had been in town several days we were allowed to question him for only two hours. The result was that many members did not have any opportunity to question Dr. Christie. It had also been agreed that certain other witnesses would be recalled, but that was not done. In my opinion there was considerable confusion as a result of the evidence we heard. A difference of opinion was expressed by certain veterinarians of the department, and in my opinion the investigation carried on by this committee was most unsatisfactory.

It was not a thorough investigation. As I say, several of the members desired to ask further questions of Dr. Christie but were not allowed to do so. It was my desire and the desire of other members that other witnesses should be recalled for further examination. Much of the evidence up to our last meeting could not be proved or disproved. There was a difference of opinion about there being gross negligence on the

part of the Department of Agriculture and the department of immigration.

It is only speculation, but it is thought that this disease was brought in from infected areas in Europe by an immigrant coming to this country. True enough this immigrant was brought to Hull once the disease was diagnosed and his clothing was tested, but that investigation did not prove or disprove anything at that date. This chap had been working on a farm in Germany where the entire herd was infected with foot-and-mouth disease. He then came to the Waas farm near Regina where the outbreak first occurred. There is a certain amount of circumstantial evidence as to where the disease came from. But as I say the investigation by the committee was such that many facts could not be proved or disproved.

No regulations were enforced to check immigrants from Mexico or other countries where this disease is so prevalent. I learned from questioning one of the veterinaries that since that date regulations have been put into force whereby immigrants coming to this country are now thoroughly checked, disinfected and so on to prevent the carriage of this dreaded virus into this country.

Much evidence was given as to what happened during December, January and past the middle of February. In my opinion there was carelessness on the part of the field supervisor in not issuing instructions and having them carried out during the months of December, January and the early part of February when new outbreaks of this dreaded disease occurred. Probably there is not much use crying over spilt milk, and no doubt it is only speculation to attempt to estimate what that carelessness during those three months has cost the cattle producers of this country.

True enough it is said that probably we were better off by the embargo not being imposed earlier, but in my opinion the quicker this situation is cleared up the earlier the embargo will be lifted. Not even the minister can tell us when this embargo will be lifted. Under United States regulations a period of 60 days must elapse after the infestation is cleared up. Following our experience with the United States in past years, I believe there will be some trouble in having this embargo lifted before the 60 day period has elapsed.

It is certainly most important to the people of this country. Not only does it affect the western livestock producer; the cattle producers of the maritimes and eastern Canada have lost a wonderful market for their dairy cattle.

Probably there should have been a motion to debate this report, but I repeat that a discussion of the report is in order under this administration item. There are many people in this country who are desirous of getting information on this foot-and-mouth disease and as to how the virus might have got into the country. That is why I have made these remarks at this time.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at eight o'clock.

Mr. Ross (Souris): Before the dinner recess I had been dealing with the report tabled in the house with respect to the investigation of foot-and-mouth disease in Saskatchewan. While I have read the report tabled and have also read the proposed amendment, to make the situation clear I think I should state that the amendment was defeated in the standing committee on agriculture by a vote of 21 to 12, if my memory is correct as to the figures. The report tabled did not mention the amendment proposed by the hon. member for Brant-Wentworth at all. In my opinion the report simply whitewashed the whole inquiry into the foot-and-mouth disease.

I should like the minister to clarify certain details with regard to the floor prices on beef and pork of which he spoke. In particular he referred to pork costing approximately 64 cents a pound in the can. The top price paid at Toronto this morning for grade A hogs was 26 cents, and I think the floor price is somewhere in that neighbourhood. I understood it was announced that the floor price would apply to A and B hogs. We had some discussion with the Minister of Trade and Commerce in which he assured us the floor price applied on all hogs, dressed sows, heavy hogs and all those grades. If that is right I should like the minister to tell us what those prices are.

With respect to the floor prices on cattle, I realize that they apply to choice steers and all cows including fat cows and heifers, but I should also like to know whether that policy is carried through with regard to other grades of cattle. Is there a floor price on veal calves and lighter cattle? I think it would be beneficial to the producers at large if the minister would put on record the entire scale of floor prices as they apply to both hogs and live cattle at the present time, and explain how it is handled.

Mr. Gardiner: I might answer those points. The floor price has been on A and B hogs until this week. I am not certain whether or not it is applicable on the others yet, but

instructions have been issued to have similar control exercised with respect to other hogs.

Mr. Ross (Souris): Would the minister say what grades are required for the canning of pork? Does that include hogs of any grade or only the top grades; because the quoted price today for dressed sows at Toronto was 16 cents while the price for A hogs was 26 cents.

Mr. Gardiner: It is not expected sow meat will be put in cans.

Mr. Ross (Souris): Or heavy hogs?

Mr. Gardiner: Or heavy hogs, either; that is, not what is usually graded a heavy hog, that brings a lower price. There will be some hogs that are heavier than the usual A's such as were delivered during the period when we were encouraging the production of heavier hogs.

Mr. Ross (Souris): Is there any guarantee on other grades of cattle such as choice steers, fat cows and fat heifers?

Mr. Gardiner: The floor price of 25 cents is on good steers but there are comparable prices set for the different grades of beef that we buy which are related to the price of the cattle.

Mr. Ross (Souris): Does that apply to veal calves?

Mr. Gardiner: Not to veal calves, but to other cattle.

Mr. Ross (Souris): They must be of a certain weight.

Mr. Gardiner: Yes.

Mr. Wright: The minister gave us what I thought was a rather optimistic report of marketing conditions in Canada during 1951. He indicated we had been able to market all our major products at what he considered to be satisfactory prices, and that we only got into difficulties this year because of the outbreak of foot-and-mouth disease. I cannot agree with the minister, and I know there are many producers in the area I represent who found they were in considerable difficulty last year when the price of hogs dropped by approximately 30 to 33⅓ per cent between July and September, leaving many producers in a rather serious position.

I have in my hands the Statistical Review of April, 1952. It indicates that between the months of January and July of 1951 the price of animal products in Canada dropped by 61·6 points. That was before the outbreak of foot-and-mouth disease, and that drop created a serious position so far as the producers of animal products were concerned. Pork was the major product that dropped during that period, but other products also dropped. If the costs of the farmer had fallen in anything like the same manner it would not be so bad, but on page 22 of the Statistical Review there is a reference to living costs in Canada and it indicates that the index of farm living costs, which stood at 99·5 in 1939, had risen to 198·6 by January of 1951 and in January of 1952 stood at 215·8, an increase of 18·7 points.

Mr. Ross (Souris): An all-time high.

Mr. Wright: That is an all-time high as far as farm costs are concerned. In my opinion many farm costs are entirely too high, and I think the government has to assume some responsibility for that situation. In 1947, for instance, when the government was disposing of certain war assets, the Canadian Federation of Agriculture made representations to the government that they should retain one of the fertilizer plants built by the government during the war. We had some assurance from the then minister of reconstruction that one of those plants would be retained. However, they were both sold. At that time the figure we were given in the house as to the cost of production of fertilizer in the Calgary plant was $19 a ton. Today that same fertilizer is selling in western Canada at $106 a ton. I think that is entirely beyond reason, and if the minister wants to do a service to agriculture he should confer with the Minister of Justice and have the combines investigation people make some inquiry into why the farmers of this country have to pay the price they are paying for fertilizer today. I think it is entirely too high. I do not believe there is any reason for it being sold at that price, and I think it is essential that we have cheaper fertilizers in Canada, cheaper than we have had them up to the present time.

The minister has indicated that while we have large grain production our production of dairy products and of livestock in some cases has dropped seriously. I am sure that is not good as far as the agricultural industry in this country is concerned. If we are to have prosperous agriculture there has to be some greater production of the products which return something to the soil. One has only to look in eastern Canada at Ontario, Quebec, the maritimes, and see the number of abandoned farms, that fifty years ago supported families, raised families and educated families. Today they are abandoned and the same thing is occurring on a lesser scale in western Canada.

There again we find the policies followed by the government leading to the restriction of the products which would eventually

build up soil fertility and make for a more prosperous agriculture. I do not think it is good and I believe it is largely the result of the policy followed by the Minister of Agriculture over the last few years in failing to place reasonable floor prices under agricultural products. Not only has he failed to place these floor prices under agricultural products, decent prices from year to year; he has also failed to lay out any long term agricultural program as far as Canada is concerned. He has indicated that our market has been satisfactory. Well, I am saying to him that our market is not satisfactory at the present time.

If we are to have our maximum production of dairy products, of pork, of apples and of cheese, we must have a market for those products other than just our own Canadian market. The only other market I know of is the market in Great Britain. We have had no indication from the minister as to the permanent steps he or the government propose to take to get this market back and to keep it for us. We had a market there during the war. It was not expected by any of us that we could retain the complete market in Great Britain, but I do not think there was a farmer or anyone else in agriculture in this country who felt in 1945 that in two or three years we would have completely lost our market in Great Britain for dairy products, cheese, and apples. I would suggest to the minister that he give some indication to the house and the country of the permanent policy the government is going to follow to win back that market.

I had not intended to say anything regarding the matter of foot-and-mouth disease, but it has been raised and I think I should put on the record something I said at the last meeting of the standing committee, because no record was kept of that meeting. It has to do with the reputation of one of the veterinarians in western Canada who I suggested should be called before that committee. I feel that the Minister of Agriculture in his evidence or in questions and answers before the committee certainly did no good to the reputation of that particular veterinarian. I believe that man should have been given an opportunity to appear before the committee to answer some of the insinuations, if not charges, that were made against him. Dr. Hewitt has been a member of the veterinarian association in the province of Saskatchewan for a great many years. For ten years, since 1940, he has acted on the executive of that association. For two years he was secretary and for two years he was president; and certainly a man does not attain that position while his reputation is such that he should not be called as a witness before any inquiry we may have here. If the minister will—

Mr. Gardiner: On a question of privilege—

Mr. Wright: If the minister will wait he can answer all the questions he likes.

The Chairman: The Minister of Agriculture is raising a question of privilege.

Mr. Gardiner: At no time during the sittings of the committee did I say anything that was at all detrimental to Dr. Hewitt. Appearing in the Regina *Leader-Post* which came to hand this evening there is a full statement of what I did say. I think Dr. Hewitt fully understands what I said. Any misrepresentations which were put in the press by my hon. friend and some others is not getting anywhere in relation to Dr. Hewitt.

Some hon. Members: Hear, hear.

Mr. Wright: Mr. Chairman, I would ask for the withdrawal of the statement regarding misrepresentations—

The Chairman: Order.

Mr. Wright: I want the minister to prove that I put any misrepresentations in the press.

Mr. Gardiner: You are just proceeding to do so now.

Mr. Wright: I placed no comment in the press whatsoever except a letter written by Dr. Hewitt to myself and, Mr. Chairman, I ask for the withdrawal—

Mr. Gardiner: I am not withdrawing. My hon. friend is just proceeding now to give the press some more of it.

Mr. Wright: Just a moment.

The Chairman: Order. I have listened to the remarks by the hon. member for Melfort and to the question of privilege as stated by the right hon. Minister of Agriculture. I do not think the Minister of Agriculture should say that the member for Melfort has communicated to the press certain misrepresentations which were published about whatever transpired in the committee on agriculture and colonization. Even if in the opinion of the minister the member for Melfort is proceeding to do that, I do not think the member for Melfort should be accused of something which he has now on his honour declared that he has not done. I would ask the minister to reconsider his stand on the matter.

Mr. Gardiner: Mr. Chairman, of course I will stand by your ruling whatever it is and if you rule that I should withdraw anything I have said, I withdraw it; but I would like

to know what it is you are asking me to withdraw. I have stated that the hon. member for Melfort is responsible for some of the reports going into the press in western Canada which might give the impression to Dr. Hewitt that I had taken a certain attitude with regard to him in the committee. All I am stating is that at no time I took any attitude against Dr. Hewitt in the committee, and the records of the committee will demonstrate that.

Mr. Wright: I am quite prepared to stand by the committee proceedings. I think any unprejudiced person reading those reports will come to the same conclusion that I came to. Now that the minister has raised the matter I want to say, with regard to the proceedings in the committee, that in my opinion a very fine whitewash job was done or attempted by that committee in the investigation of what took place in the first two and a half months of the outbreak in western Canada. I think any fair-minded person reading the proceedings of the committee will agree with me.

Mr. Gardiner: I would suggest that the hon. member read the editorial which appears in tonight's edition of the opposition press.

Mr. Wright: We read many editorials in the papers, and I refer the minister to an editorial from the Saskatoon *Star-Phœnix* which bears out what I am now saying—if he wants editorials. I do not happen to have it with me but if he will just look over the editorial in the *Star-Phœnix,* which is by no means a C.C.F. paper, he will see they advised the minister that he should call before the committee Dr. Hunter, a young veterinarian from the province of Saskatchewan, so he could express his opinion on what took place in Regina during December. I do not think the minister has anything to be proud of in what he himself contributed to the committee or in what the government members on the committee contributed to the committee's investigation.

I do not intend to take up much more time of the committee. There were some questions I wanted to ask the minister, but I think part of them are covered by the questions which were asked by the hon. member for Souris. I should like to know how much pork and pork products are presently in the possession of the agricultural prices support board and what other farm products are presently in their possession, which they have bought under the floor price legislation or under any other legislation or orders in council. I should like also to ask the minister if he will give some further consideration to lowering the weight that applies to the floor price for beef. I believe it is presently set at 500 pounds. I had several people come to me while I was in the west recently, showing me the returns they had received from baby beef. One man in particular had been approached by one of the shippers who was going to send a carload of beef to the Edmonton market. It was just after the floor price legislation had come into effect, and he was assured that the Edmonton market would absorb the shipment at a fair price.

This man shipped four baby beef to that market, and his net return was something in the neighbourhood of $337 after the freight and other expenses had been paid. He assured me that the year before he had shipped four animals of the same weight and quality and had received a return of something better than $1,000. That certainly does not represent a satisfactory marketing situation. I am told, and I believe from the reading of press reports, that the spreads between the various grades of beef and pork under the floor price legislation presently in effect are not working out to the advantage of many producers in this country. There is too great a spread between the grades under which the government has floor prices and some of the lower grades.

It is all right for the minister to say that no farmer should ship an animal until it reaches a certain weight, or that he should raise an animal which will make a certain grade. Unfortunately many of our farmers have not the right type of stock. While these spreads may be an incentive towards obtaining better stock, nevertheless there are some farmers in serious economic difficulties because of the failure of the government to establish reasonable spreads in the floor price legislation, and to see that the packers and others who are buying these products pay the farmers reasonable prices for the lower grades.

Mr. Gardiner: In answer to the first question concerning pork holdings, I may say that surplus pork in various forms, arising out of increased hog runs this year and the United States embargo, may be summarized as follows: storage stocks, 30,339,000 pounds; Wiltshire sides, 15,255,000 pounds; canned pork, 35,714,000 pounds. Of that quantity, the Wiltshire sides and the canned pork are held by the government, that is about 50 million pounds or about the quantity which I stated this afternoon would otherwise have been sold in the United States.

Mr. Quelch: I was very interested in the speech the minister made before the recess, especially his reference to the fact that in

1951 we had been able to market our farm products at fairly satisfactory prices. I am wondering what the prospect is for the immediate future, because I recall that when the minister spoke before the food and agriculture organization he stressed the fact that we had quite large supplies of feed grain on hand and we were, therefore, in a position to expand our production of livestock. On the other hand the minister did not think the farmers would be likely to expand the production of livestock unless they had greater assurance with regard to markets for that increased production.

Then when the minister spoke before the Canadian Federation of Agriculture, in reply to certain questions he pointed out that Britain lacked the dollars to buy our pork, cheese and eggs, and therefore he was not going to ask any farmer to expand his production of those products. There is no doubt that we could expand our production of livestock, cheese and various other commodities. There is no doubt that there is a very real need for that increased production in the world today. We have been told time and again by the officials of the FAO and other bodies about the urgent need for food. We have been told by the Secretary of State for External Affairs about the need for food. It is not very satisfactory, therefore, for us to have to say to our farmers that we are not going to ask them to expand production of food because if they do there may not be a market for it.

It is not good enough to say that we can market the food we are producing. The question is, can we expand our production so as to produce all the food we can, and if we do will there be a market for it? I saw an article in the *Albertan* which stated that the Canadian Federation of Agriculture had asked for a food plan which would make it possible to get the surplus to the needy nations. Reference was made to the fact that the international commodity clearing house idea had collapsed as a result of many nations not being prepared to support it. The federation also requested that some kind of board be set up to assure that if we expand production in this country there will be a market for our products.

What I should like to ask the minister is whether or not anything is now being done to set up the mechanism by which increased production of livestock could be marketed. I realize, of course, that the foot-and-mouth disease, for the time being, has made the problem more difficult, but the statement made by the Minister of Agriculture, to which I referred, was made before the outbreak of foot-and-mouth disease. Evidently, therefore, at that time—that is at the end of last year—he foresaw difficulty in marketing our farm produce. I can believe that this is not really a problem for the Minister of Agriculture. His main problem is to get production. The problem of marketing surpluses, I presume, rests with the Department of Trade and Commerce and more especially with the Minister of Finance, because the whole question of marketing our surpluses of farm produce is largely a monetary problem.

I do not doubt for one minute that if the Minister of Finance were to find ways and means of financing the sale of farm products to other countries, the Minister of Agriculture would be very pleased to see that that expanded production took place. I am wondering whether or not the Minister of Agriculture has received any assurance from his colleagues that if he tries to step up production of agricultural products in this country there will be a market for them.

Mr. Gardiner: In answer to what has just been said, I might say that the hon. member has not gone back far enough in order to find the beginning of the suggestion that we should not produce in Canada all that we could produce of certain commodities. I think I might say that does not apply to agricultural products alone but to some other things as well. It will be recalled that in this country we were producing at our peak in 1943 and 1944. I do not need to go over the quantities; they have been mentioned in this house so often one does not need to repeat them. Production was at the peak at that time.

The British took the trouble to send a man over here to tell us what was in store for us in the future. He went right across this country and appeared at every farm organization meeting that was held. I appeared with him in Regina and listened to what he had to say. He told us definitely that we would not be able to sell the quantity of bacon that we were then selling in Britain once the war was over. He told us the reasons for that. He said that when the war was over Britain was going back to trading bicycles, for example, for certain products in Denmark. He used that as one illustration, and went on to point out that they had made definite agreements following the 1932 conference here in Ottawa concerning what they were to buy from other countries, not only before the war but afterward. We are going along as best we can under that arrangement now. These agreements have been re-established with all the countries in

the world, from which Britain gets food. She has not established any position with us in relation to food.

What I said this afternoon was that we had no great complaint to make because during part of the time we had been able to sell in the United States all the beef we did produce, and for twice as much as we could get for it in Britain, and we have been able to sell in Canada all of the hogs we have produced. I do not say "all we could have produced". What I say is that we have sold all that we have produced in Canada at a higher price than we could in the United States. It was suggested a moment ago that the problem of marketing farm products is the responsibility of the Minister of Trade and Commerce. That statement is not true at all times. The Minister of Trade and Commerce has nothing whatever to do with the marketing of farm products in Canada. That is not trade and commerce.

Mr. Quelch: I am talking about marketing externally.

Mr. Gardiner: All our hogs were marketed in Canada last year.

Mr. Quelch: We have a few million pounds in cans right now, have we not?

Mr. Gardiner: That has all come along within the last two or three months; but up until February this year we were having no difficulty in marketing our hog products. We would not have had any this year had we not had the foot-and-mouth disease outbreak. We had in the United States a market for the 50 million pounds that is now either in cans or in Wiltshire sides had we not had the outbreak of foot-and-mouth disease; and I am not too sure that we have not a market for it in the United States in spite of the fact that we have had that outbreak.

Mr. Quelch: The minister told the Canadian Federation of Agriculture that he would not ask the farmers to increase the production of hogs, cheese or eggs because Britain lacked the dollars with which to buy them. That is the thing I was referring to.

Mr. Gardiner: No, I did not put it quite in that way. What I stated was this; I have stated it over and over again and I will repeat it now. I have said that I would not ask the farmers to produce more of certain products because Britain has said that she has not the dollars with which to buy them.

An hon. Member: That was good advice.

Mr. Gardiner: That is a little bit different from saying I am convinced that Britain did not have the dollars.

[Mr. Gardiner.]

Mr. Quelch: Well, the minister took their word for it.

Mr. Gardiner: As a matter of fact Britain spent in this country last year $200 million more than she spent the year before. I should like to know why she did not spend some of it on some of these food products we have been talking about, but that is not my affair. In answer to the question that was just asked me as to why we did not do something about it, I should like to know what we can do about it in this country.

Mr. Brooks: Buy more from Britain.

Mr. Gardiner: We can take care of the situation which exists in Canada, and we do that. We provided conditions under which hogs were marketed in Canada at a better price than could have been obtained for them elsewhere. If we had produced 50 per cent more hogs and had sent them over to Britain and taken the price that we could get for them our farmers would not have obtained as much for the increased number of hogs as they obtained last year for what they did produce. After all, farmers as well as other people have a little bit of common sense. Usually they make up their own minds as to what they are going to do. I do not need to tell them what to do.

Mr. Spence: Mr. Chairman, as this is my first opportunity to address this honourable chamber, and as it is my privilege to speak in my native tongue, I propose to speak in the French language.

(Translation):

Agriculture being the most important industry in the constituency I have the privilege to represent in this house, I wish, Mr. Chairman, to make a few remarks in connection with the debate which is now taking place on the estimates of the Department of Agriculture, whose responsibility it is to find markets for our farm products, and if need be, to grant subsidies in order to fill the existing gap between the present sale price of these products and the processing or production costs.

We are now faced, in certain districts of the province of Quebec, particularly in my own district, with a rather awkward situation. While the civil and religious authorities encourage my compatriots to settle on farms; while the provincial authorities spend large amounts of money in order to facilitate their establishment in new areas; while those same authorities make considerable efforts to open new districts to colonization and agriculture, it so happens that those who are already

settled on farms, those who derive their livelihood from the soil, have in the past six months been going through a period of very alarming difficulties. There seems to be no solution in sight without prompt and efficient action on the part of the Department of Agriculture.

I have no intention, Mr. Chairman, of turning this speech into a plea for agriculture. I would nevertheless like to say that this branch of our economic life has always been and always will be our society's basic industry. When agriculture is prosperous, the workers' position in the towns is improved. Other classes are equally better off for it. A large number of industries are dependent upon agriculture. These are processing industries, manufacturing industries for equipment used in agriculture, transport companies and a great many others.

The agricultural industry deserves our particular attention for another reason.

Let us not forget that the agricultural worker is among those whose professions are exceedingly hard and risky. We all know that the agricultural profession does not lead to a quick fortune. It requires solitude, long working hours from the crack of dawn to sunset. It does not afford the pleasures and comfort of the big city; even holidays are denied to the farmer and on Sundays he still has work to do.

In order to succeed, the farmer must call upon the help of his entire family, regardless of age or even sex. The mother herself must do her bit on the farm, besides her household chores. Many a farmer has told me that he would never have mustered enough courage to remain on his farm had it not been for the heroic help of his wife; and yet, in spite of the concerted efforts of the whole family, the farmer's income is uncertain, for he is at the mercy of the weather, rain, drought, frost, hail, as well as of economic conditions.

Mr. Chairman, when members of a social class as important as our farming class willingly accept such sacrifices in order to achieve success the leaders are duty bound, I think, to grant them very special consideration.

I want to point out that during the last war, when the forces of evil represented by the fascist dictatorship were struggling against the forces of light for which we stood, our farmers and dairymen were called upon to sell their products such as cheese, butter, eggs and bacon at prices they considered inadequate. They willingly made the sacrifices known to the hon. members of the house. They readily agreed to them not only because they understood that they were sacrificing themselves to a noble cause but because they were confident that the countries which they had helped to save from starvation would, once victory had been won, recognize their indebtedness and continue to buy our agricultural products even if, owing to somewhat different economic conditions, our producers were compelled to sell these products at a slightly higher price.

As a result of production costs today and the closing of foreign markets, our farmers are suffering serious losses in the marketing of their products, ranging from 10 to 25 per cent.

In support of this statement, I would like to read, if I may, a letter I have received recently from a farmers' co-operative of my county. I shall dispense with the congratulations the letter has for me since I presume they would be of no interest to the majority of this house. I quote:

Chambord,
May 31, 1952

Mr. Paul Spence,
Member of Parliament for Roberval,
Mistassini, P.Q.

During your electoral campaign, you probably came to realize how very precarious is the marketing situation for our products, and for cheese especially, which is not selling at all. However, la Fédérée is reported to have succeeded in making a sale this week at 27 cents. This price is still much below production costs in view of the price of farm machinery, feed and labour.

Computations have been made, and at $4 a hundredweight for milk, a farm must be well run if is going to yield its owner 50 cents an hour. Moreover, in our district, where almost the entire production is converted into butter and cheese, the producer gets about $2.25 a hundredweight for milk; which is a starvation wage.

If the government fails to do something to raise the prices of agricultural products, the farmers will not be able to produce at a loss indefinitely; the result will be a shortage of foodstuffs which may produce many other shortages.

I am forwarding you a copy of a letter I sent this very day to the Minister of Agriculture; please read it and intercede on our behalf with the minister.

Yours truly,

Marie Brassard, secretary
Co-operative Agricultural Society
(S.C.A.) of Chambord-West

I now read the letter to which Miss Brassard has just referred:

Chambord, May 31, 1952.

The Hon. J. G. Gardiner,
Minister of Agriculture,
Ottawa, Ont.

Dear Sir:

I have been requested by the board of directors of the Chambord West Agricultural Co-operative Society, to inform you that the directors strongly

support the representations of the Catholic Farmers' Union (UCC) in connection with the decrease in the price of dairy products.

The situation greatly affects farmers of our district, since dairy farming is the basis of the agricultural industry.

The farmers' task is to produce and they are doing their duty, but they will be unable to keep on if they have to produce at a loss. There might be a shortage of foodstuffs then. It is your duty to prevent and avoid such a situation.

Respectfully yours,

Marie Brassard, secretary
Chambord West Agricultural
Co-operative Society.

Now, at Chambord, in the constituency of Roberval, dairy farmers, who must sell their milk at $4 per cwt. in order to earn a salary of 50 cents an hour, are receiving only $2.25. That means that not only do they not earn any salary at all, but that they are producing at a loss. Other important agricultural organizations have made representations to the Minister of Agriculture (Mr. Gardiner).

Thus, on the 1st of June of this year, a Montreal newspaper, *La Patrie*, published an account of a meeting held at Sherbrooke, from which I want to quote a few excerpts which show clearly the deep feeling of apprehension and dissatisfaction which prevails among our agricultural class in the province of Quebec. I quote:

La Patrie

Sunday, June 1, 1952.

Sherbrooke—Thirteen hundred farmers from the eastern townships gathered in the parochial hall of the Immaculate Conception, have approved the following recommendations which have been forwarded to the federal Minister of Agriculture.

Whereas, out of sixteen billion pounds of milk produced in this country, six and a half billion, or 40 per cent, are made into butter; whereas in the province of Quebec alone butter production is the main source of income for 80,000 farmers out of 125,000, it is therefore resolved that a protest be registered against the Honourable J. G. Gardiner, federal Minister of Agriculture, who, on January 23, 1952, stated that "strictly speaking butter producers are not dairymen".

Whereas imported butter competes against our product and tends to reduce its price; whereas Canadian butter would be in a better position to meet this competition were not imported butter, whose flavour is different, "reprocessed" and mixed in with our own, it is therefore resolved that the government be requested to legislate so that any imported butter be sold unchanged in its original condition, and be so designated.

Whereas the price of cheese and butter affects the price of other dairy products; whereas we have imported 11,800,000 pounds of cheese at a time when it was to be expected that Great Britain would not renew her agreement with Canada; resolved that the federal government be asked to fix a support price of 30 cents per pound.

Whereas the western farmers are granted, under various forms, financial assistance of not less than $100 million by the dominion government, resolved: first, that federal members from eastern Canada be asked to defend our interests with an energy comparable to the energy shown by the western members in defence of their wheat producers: second, that the Hon. Mr. Gardiner, federal Minister of Agriculture, be asked to show eastern farmers the same consideration as is given western farmers.

Mr. Chairman, the farmers in my province are under the impression that the Minister of Agriculture denies them the same measure of protection he extends to farmers in other parts of the country. They are not opposed, it is to be noted, to the assistance provided to the wheat producers of the western provinces. They only wish to receive the same consideration from government authorities. I support them in their view that part of the taxes they pay in order to cover the cost of administration of this country be returned to them under the form of financial assistance or subsidies when lack of foresight on the part of the leaders of the country is the cause of a crisis in the field of marketing such as the one the farmers are now undergoing.

The farmers in my riding are so dissatisfied that they chose to express their dissatisfaction in no uncertain terms, a few weeks ago. That is why they have sent me here to protest against the neglectful manner in which they are treated by the government. I wish to point out, by way of digression, that I would have obtained a larger majority if I had been faced only with the official candidate because nearly three quarters of the supporters of the independent candidate profess the same feelings as my own supporters.

(Text):

Mr. Casselman: I would ask the hon. members to keep quiet for a moment.

Mr. Lennard: It is getting awfully noisy.

Mr. Abbott: I am just translating as he goes along. You fellows don't understand.

(Translation):

The Chairman: Order. The hon. member for Roberval.

Mr. Spence: The reason for the situation which prevails in the farming industry is quite evident when we compare our export statistics for the past few years. Thus, our exports of pork reached, in 1944, a total of 717,700,000 pounds but decreased year after year to a mere 31,300,000 pounds last year.

In 1945, we shipped 135,400,000 pounds of cheese. This item of our agricultural production has also decreased considerably. Last year, we sold on foreign markets less than a quarter of what we sold six years ago, namely 30,700,000 pounds.

The dairy farmers fail to understand why the government, under the circumstances, still allows the importation into our country

of foreign cheese. Thus, according to a report produced in this house on the 5th of May last, our imports of cheese for the first three months of this year amounted to more than 5,300,000 pounds.

Dairy farmers and hog breeders of Quebec are clearly under the impression that the government does not take any interest in their problems.

Therefore I believe it is my duty to let the Minister of Agriculture know and to beg him to give as much consideration to their requests as to the representations of wheat producers of the province represented in the house by the minister.

(Text):

Mr. Sinnott: Mr. Chairman, I have just a few words to say and suggestions to make to the Minister of Agriculture. We have heard rumours that there is a possibility of losing the great experimental farm here in Ottawa. I would be absolutely opposed to that farm being given up to any housing project. Not only are the people of Ottawa and those who live in the immediate vicinity proud of this farm; it is worthy of the pride of all Canadians. I am sure if the farm were advertised more it would be a great attraction to United States visitors.

Recently we were invited by the Halifax board of trade to visit that city and on that trip I saw the damage that has been caused by the tides. If this condition is allowed to continue over the years many acres of land will be lost. They are trying to protect this land now, but if other means are not adopted it will all be washed into the sea. Cement walls should be erected near the mouths of these washes which have been caused by tidal action so this land may be saved. If a little country like Holland can keep out the sea in order to protect its farmland, we in Canada can do the same thing.

A great deal has been said about the high prices of farm machinery. I submit that a full-scale investigation should be held to see whether these prices are out of line with the prices of farm products. They are certainly out of line with the prices of some farm products. If such an investigation were held and it was found that there was no reason to reduce the prices of farm machinery, our farmers would be satisfied. Certainly at the present time when you go in to have a small repair done on a piece of machinery you find that it runs into many dollars. Many types of farm machinery are being sold in the United States at much lower prices than they can be obtained for in Canada.

Reference has been made to the cost of fertilizer. I shall not elaborate on that because we all know how high it is. But I think something should be done about the prices of commercial feeds, such as hog starter, chicken starter, turkey starter, laying mash and calf meal. All these feeds are very high in price. Farmers are getting as low as 18 cents per dozen for eggs, and many of them are wondering whether they should stay in business. I was talking to some folks a week or two ago, and they told me they had sold all their chickens because they were not making money.

There should be a proper floor price under eggs. I was talking to a poultry inspector, and he told me the producers are not getting sufficient benefit from the floor prices. I hope the Minister of Agriculture will dig into this a little more and develop something which will enable these chicken raisers to stay in business.

I am told that our farmers would like to see the floor prices on cattle applied to the lower weights. I understand that with an animal weighing 500 pounds the floor prices do not apply, and that some have been selling calves for as low as 10 or 12 cents a pound. If the floor prices were applied to the lower grades it would help the farming community.

I think the revolving fund should be used to a greater extent. The drain on agricultural labour has been considerable because of recruitment into the armed forces and the young people who are leaving the farm to work in defence industry. The farmers are finding the cost of labour so high they cannot meet it with the prices they are receiving for what they produce. If this revolving fund were used to a greater extent it would help to keep the boys and girls on the farm and thus make possible a greater agricultural production.

Anyone who has not lived on a farm cannot realize how parents are worrying today. I know one farmer with a son about 17 or 18 years of age. That boy does not want to stay on the farm at any price. He claims he can go to the city and get good wages in an industrial plant, along with three weeks' holidays with pay, sick leave, other holidays and no work on Saturdays or Sundays. That is why 20 per cent of the population of Canada are drifting into the cities. This situation must be rectified even though it costs $200 million or $500 million.

This trend is noticeable all through Canada. If the government will take the necessary steps to correct this situation, not only will the people on the farm be benefited; it will benefit those who live in the cities, because these farm boys and girls are coming to the cities to steal their jobs. Every possible means should be adopted to keep the boys and girls on the farm.

Mr. Fair: Mr. Chairman, I am going to take only a few minutes because, as the Minister of Agriculture has said, this department has been discussed on many occasions since the present session started. Certain elections have also provided an opportunity to discuss these matters, even though that discussion did not take place here. Therefore I am not going to take much time tonight. I was glad to hear the minister state at the beginning of his address that A stands for agriculture and that his department is usually discussed first when estimates are under consideration. He should perhaps have gone further and stated that agriculture is our first and basic industry. I think it is now recognized by people all over Canada that without a prosperous agriculture we cannot have a prosperous Canada. It is in the interests of labour, organized and unorganized, to see that agriculture is kept in a prosperous condition. Otherwise they will have difficulty finding markets for the things they produce and without the production of which they cannot have employment.

We have heard many statements over the radio, have seen them in the press and have also heard politicians say that agriculture is in a very prosperous condition at the present time. I am not ready to agree entirely. Figures given us by the bureau of statistics a few months ago show that a little over 20 per cent of the population of Canada live on farms and receive only 9·95 per cent of the national income. In my opinion that is not sufficient compensation for those who work on the land. If farmers go ahead and produce a lot, as they are at all times willing to do, then they find they are cutting each other's throat because of a lack of markets, and the prices of their products go down.

So far as secondary industries are concerned, all they have to do is close their factories for a while, let their stocks go down and create a shortage. If the farmers were to do that by going on strike we would immediately have an outcry against them. A few weeks ago I had a letter from one of my constituents at Dewberry, Alberta. It is dated May 17, 1952, and is addressed to myself at the House of Commons. It is written by a storekeeper for one of the farmers in the district. The letter reads:

> Mr. Ernest Garnier, farmer, Dewberry, has asked the writer to mail you the attached cheque amount 21 cents with his compliments. It is his wish that you use this cheque in any manner you wish, going even as far as buying the Hon. Mr. Gardiner a cigar or a couple of chocolate bars.

The cheque is endorsed to me, and I have endorsed it and am going to send it to the minister with my compliments as well as those of the farmer at Dewberry who sent it. The letter continues:

> This cheque is in payment for a hide shipped to the Honourable Company of Adventurers in Edmonton (HBC here before). The hide brought $1.71 for 38 pounds.

I might say the gross weight of the hide was 43 pounds and there was a dockage of 5 pounds, so the fellow who processed it would not be out anything. The letter goes on to say:

> The Canadian Pacific Railway Company (who have also been in the country and know their way around) got $1.50 out of the deal and the cheque which you hold for 21 cents is the net return less we should say the price of the gunny sack in which it was shipped, plus two or three hours of work skinning and the trip into the railway station to ship the hide. We trust and hope—we will leave this matter to yourself.

In case there should be any doubt about the matter I have the invoice here.

Mr. Wood: May I ask the hon. member a question? Was that hide a glue?

Mr. Fair: It was a green cow hide.

Mr. Wood: Was it a glue? Was it becoming ripe?

Mr. Fair: It was not graded. It was simply one green hide, 43 less 5, 38 pounds at 4½ cents per pound, $1.71.

Mr. Wood: It must have been a glue.

Mr. Fair: That amount was less freight of $1.50 leaving a balance of 21 cents that the farmer received, and the word "thanks" is at the bottom of the invoice. I am simply reading this letter tonight so hon. members may have some idea of the return the farmer receives and the returns paid to some other people. The farmers of Canada are prepared at all times to produce immense quantities of various kinds of farm produce, and the world today is in need of all that can be produced. I think it is the government's business to provide markets for those goods. I am not going to say any more now. I may have a little more to say on some of the items, but since I have a date with the redistribution committee I must leave and look after my business there.

Mr. Cardiff: Mr. Chairman, it is not very often that I agree with what the hon. member for Springfield says in the house, but tonight I can agree with everything he had to say. I should like to elaborate a little on what he said about eggs. It is true that the price of the feed you have to give hens to make them lay is far too high, and also the price of mash of different kinds; but grade A eggs that were selling a week or two ago for 30 cents a dozen at the farm were retailing to the consumer in the cities at 55 cents. That is almost double the price the farmer got for his eggs. Everybody knows the farmer is entitled to more for producing eggs than the dealer gets for handling them. There is certainly something radically wrong when you look at the difference in price, to say nothing about the cost of feed. I heard the minister say this afternoon—and I wrote it down so I would not forget it—that the beef market was only about 2 cents lower now than before the foot-and-mouth disease appeared in Canada. I do not know how far you would have to stretch your imagination to think that statement was correct.

Mr. Gardiner: I will put the figures on the record.

Mr. Cardiff: Anyone who had beef lost at least 10 cents a pound. I think the price now is perhaps 2 cents higher than it was at the time foot-and-mouth disease appeared in Canada, but I am sure it is at least 8 cents a pound lower than it was then. In addition the floor price that the government put under beef varies by anywhere from one to three cents a pound depending on who suggests what the grade is. There was no definite grade set except "good steers". What I would call a good steer, what the minister would call a good steer and what somebody else would call a good steer could easily result in a variation of two or three cents a pound. I think the floor should have been set in such a way that people would know what the grade meant. If the floor was 25 cents, or no matter what the price was, it should have been stated definitely what the grade was. A good steer is no particular grade. There is a variation having regard to different people's opinions of what a quality steer is.

I hope that when *Hansard* comes out what the minister had to say will appear as it was heard in the committee. I am not suggesting that the speeches are not reported correctly, but I know that I once went to *Hansard* to find out some of the things the minister had said that did not appear at all. I know we have the privilege of correcting our grammar and so on, but I do not think we should have the privilege of deleting full sentences from *Hansard.*

Mr. Gardiner: On a question of privilege, a little while ago you were after me, Mr. Chairman, for a statement I made. I should like to ask you what you think of this statement.

An hon. Member: He is right. I have seen it myself.

Mr. Gardiner: As the hon. member suggests, there are times when words are changed in *Hansard,* not because they change the meaning at all but simply because they express the meaning more effectively than the words used. That is done by members all over the house and that is as much as I ever do, as *Hansard* will indicate to you.

Mr. Cardiff: True. I agree with that; but that is not deleting whole sentences out of *Hansard* which detract from the meaning.

Mr. Gardiner: *Hansard* would not delete whole sentences even if I tried.

Mr. Cardiff: I am not accusing *Hansard* of doing that; but I know the minister has been correctly reported by the reporters in the newspapers although in *Hansard* there were omissions. I hope when this committee report comes through we will have the *Hansard* as we heard it in the committee.

Mr. Gardiner: There is no way I can guarantee that my hon. friend hears what I have said. I notice him over there carrying on a conversation while I am speaking, and I doubt very much if he knows what I am saying half the time. I am not going to guarantee that my remarks are going to appear in *Hansard* as he thinks he hears them, but I will guarantee that they appear in *Hansard* as they were said.

Mr. Cardiff: I hope so, and that is all I am asking for.

I do not want to repeat what others have said, but I agree with what the member for Souris said this afternoon. I agree with everything he said and I do not intend to repeat it because I think that is a waste of time. I will, however, direct the committee to something that happened during the investigation which I think should be repeated in this house. It is that when Dr. Hall was on the stand most of the questions that were asked of him and the answers that he gave were framed before coming into the committee. I want the minister to deny that if he can.

Mr. Gardiner: Well, Mr. Chairman, if the hon. member is asking me to deny it I just want to say to him that I had not any knowledge of either the wording of the questions before they were asked or the answers that were to be given, none whatsoever. All the

questions were asked in the committee by a member of the committee and answered by the doctor himself; and I think the insulting remarks made just now were made in the committee at that time. They were properly dealt with there and I think they ought to be deleted from *Hansard*. That one sentence should certainly be stricken from *Hansard*.

Mr. Cardiff: It was not an insulting remark and I was not insulting anybody. I was only stating a fact; and the answer the minister gave me in the committee was not an answer at all. I asked whether the questions had been framed beforehand. I asked the minister if he had had a caucus meeting with the Liberal members before they came in.

Mr. Gardiner: That was about an entirely different matter. It had nothing to do with this.

Mr. Cardiff: No, it wasn't.

Mr. Gardiner: Yes, it was quite different.

Mr. Cardiff: He said he often had a caucus meeting with the Liberals and he would be glad to have one with the Conservatives, but he did not answer the question at all.

Mr. Mutch: Did you ask him?

Mr. Cardiff: I just wanted that to be on *Hansard*.

Mr. Gardiner: It is an entirely different matter.

Mr. Cardiff: With regard to something that was said a while ago about British markets, I can tell the minister there is one way to sell more to Britain and that is by buying more from her. There is no reason in the world why we could not have sold more foodstuffs to Britain if she had had the dollars to buy them. We bought a great deal from other places that could have been bought from Britain, but that was entirely government policy and I think the government will have to take responsibility for it.

I do not think there is much more I want to say at this time.

Mr. Charlton: Mr. Chairman, I listened quite attentively to what the minister said in his statement this afternoon. He said there had been no troublesome surplus in 1951 or so far in 1952, and that we had no difficulty whatever until the foot-and-mouth disease was diagnosed in this country. Now, Mr. Chairman, I would like to ask the minister what he considers the difficulty the cheese producers are having in this country, and which started sometime last fall.

[Mr. Gardiner.]

Mr. Gardiner: I would just like to make this correction to what my friend has just said. He is going to be checking *Hansard*, and he states that I said there was no troublesome surplus so far this year. I made no such statement at any time.

Mr. Charlton: The words used were "so far in '52"—"in '51 and so far in '52", and if that is not so far this year I don't know what it means.

Mr. Gardiner: I did not say that we had no troublesome surplus in 1952. I outlined the troubles we had with foot-and-mouth disease and the resulting surplus.

Mr. Charlton: Cheese was not one of them, and I am asking the minister what he considers the trouble they are having in the cheese industry at the present time. It so happens that last year the minister told the cheese producers that he could only get from Great Britain 28 cents a pound for cheese. Rightly or wrongly the cheese producers themselves consulted with Great Britain and procured a better price than 28 cents. In view of that fact I would take it the minister was a little put out at not being consulted regarding the matter.

Mr. Gardiner: I was consulted.

Mr. Charlton: The Minister of Trade and Commerce stated in this house that a price of 36 cents was charged Great Britain for cheese, but that was absolutely false. It was not 36 cents.

Mr. Gardiner: No.

Mr. Charlton: The Minister of Trade and Commerce made the statement in the house that we had charged Great Britain 36 cents for cheese. That was absolutely wrong; the fact is that we did charge Great Britain 32 cents for some cheese. But what does the government do? It permits one large importing company to import cheese from New Zealand and have it laid down in Montreal for 31½ cents a pound. Now, Mr. Chairman, I do not believe that promotes good relations between Great Britain and ourselves. We charge Great Britain 32 cents for cheese and we allow importation of cheese into this country for less than we charge Great Britain. Is it any wonder Great Britain does not want to buy our cheese today, after such a thing happening?

It is of course a fact that the cheese producers were practically told to get out of the market or else they would not get a floor price. They have accepted a floor price of 24 cents, which is not even near a cost of production price for cheese. The minister knows that. If he wants to destroy the

cheese business in this country—to destroy an industry that has maintained the only good market for our surplus milk products—that is the best way in the world to destroy it, because you will certainly not get much cheese production at 24 cents a pound. I would also like to ask the minister if he has any cheese on hand at the present moment in government stores.

The hon. member for Souris this afternoon brought up the question of foot-and-mouth disease. I hope I do not repeat too much of what the member stated but I think I should say something. I want to make it quite clear that none of us in this party has ever, at any time, criticized anything that has taken place since the diagnosis of foot-and-mouth disease was made public; never at any time. As a matter of fact I have nothing but commendation for those men in the field who have made a marvellous job after a very bad start, because they did do a good job of getting the disease cleared up. I want that made quite clear; that commendation of those men should be made at this time for that very good job. We have been accused in the committee, by the minister and others on the opposite side of the house, of playing politics with this very important matter.

Some hon. Members: Hear, hear.

Mr. Charlton: I just want to say this, Mr. Chairman. If putting the facts before the taxpayers of this country is playing politics, I am going to be playing politics as long as I sit in this House of Commons. Certainly that is all this party has ever tried to do, to place the facts before the public and let them know just what did happen.

This afternoon the hon. member for Souris read the report of this committee. I intend to repeat only that part of it which is so important. It is the second paragraph, and reads as follows:

> Having considered the correspondence and records submitted together with the evidence adduced, your committee is of the opinion that the officials of the health of animals division, Department of Agriculture, followed the well defined plans laid down through long experience gained working in co-operation with their counterparts in the United States bureau of animal industry to diagnose and combat stomatitis and foot-and-mouth disease.

In the first place, Mr. Chairman, it has never been proven that stomatitis did exist. Of course, on the other hand, it has never been proven that it did not exist; I must be fair. But why did stomatitis have to appear in that report? It was to cover up. It is stated in the report that the department followed the well-defined plans laid down through long experience gained working in co-operation with their counterparts in the United States bureau of animal industry. I have here the 1942 year book on agriculture, "Keeping livestock healthy" put out by the United States department of agriculture. Speaking of foot-and-mouth disease at page 270, it says this; and I want to quote this complete paragraph:

> In making a diagnosis the facts just discussed are used to determine which of the three diseases an infected animal has. The procedure is to inoculate swine, cattle, guinea pigs, and horses with material obtained from the sick animal. The diagnosis of foot-and-mouth disease is clear and can be made unhesitatingly if the typical vesicles, preceded by a rise in temperature, developed in all these animals except the horses. When all the injected animals including the horses develop vesicular lesions, the disease would be diagnosed as vesicular stomatitis. When lesions are produced in swine, less frequently and to a milder degree in horses, and not at all in cattle or guinea pigs, the condition is typical of vesicular exanthema of swine.

In view of the statement in the report that they had followed the well-defined plans as set out by the United States bureau of animal industry, and in view of the completely contradictory statement in this book which is sent out by the United States department of agriculture, I believe the report contains a misstatement of fact. In view of that, I certainly cannot agree with it.

As I mentioned before, I do not know why stomatitis was written into that report, other than to cover up, because some of the top officials insisted—I say "insisted" advisedly—that it was stomatitis. We had considerable evidence and a number of statements in the committee that it was important to follow the United States method of diagnosis. I am a good Canadian, Mr. Chairman, and I have so many times heard statements made about how much better the United States is than Canada. In many cases it may be true, but I do say that we have something in Canada that we are very proud of and should brag about. I hate to see it belittled all the time by the Department of Agriculture, and especially by the minister under whose department it comes. I am referring to the animal diseases laboratory in Hull. We have a lab there for the purpose of diagnosing animal diseases as well as human diseases. Why should we not use it? Why should we not be proud of the fact that we have it? On the last page of the last committee report the minister attempted, with one of the committee witnesses, to belittle the Hull laboratory.

Now, the disease was diagnosed in Hull, though the minister says not. It was diagnosed there probably more or less by accident. As I said before it has been the policy of the department, and especially of the minister,

to try to maintain that the procedure followed was the correct one, regardless of the accuracy of that statement. Later in the committee we found that the officials from Saskatchewan were told at the start by a private veterinarian that this disease could be foot-and-mouth disease. We realize, Mr. Chairman, as much as anyone that it is important not to throw around the term foot-and-mouth disease as if it were nothing at all. We realize the necessity for being a little bit discreet about the use of the term. The minister said something in the committee the other day—fortunately it is not in the record because I would hate to see it there—intimating that it was probably a good thing this disease had not been diagnosed for two and a half months, that we would have lost a great deal more had it been diagnosed at the proper time.

The men working in the field for the health of animals branch have taken a great deal of criticism. The veterinary profession as a whole has taken a great deal of criticism as a result of this foot-and-mouth episode. It is unfortunate that just because of the stubborn attitude of some of the top officials of the department—

Mr. Ferrie: Is that all you've got?

Mr. Charlton: I shall let the hon. member make a speech any time he desires to do so. He made a lot of speeches in the committee, but I never heard him say very much.

Mr. Ferrie: You never did either.

Mr. Charlton: In view of the very serious outbreak of foot-and-mouth disease in Europe early in the fall and the subsequent outbreak in Great Britain, it is my theory that the Department of Agriculture and the department of immigration should have taken cognizance of the fact and been guarding against the transportation of the disease here by way of immigrants or any other means by which it could be carried. Some people may have the mistaken idea that the disease can only be carried by livestock. Mr. Chairman, that is very wrong. It is not a proven fact, and could not be proven at the time the immigrant Willi Bruntjen was brought to Ottawa, but it is my personal opinion, whatever it may be worth, that there can be no doubt that is how the disease arrived in this country. Seventeen days from the time he was on a farm in Germany infected with that disease, he was on the Waas farm in the Regina area. Strangely enough, he had left the employ of Mr. Waas before the disease was recognized. In the committee reports at page 53 Dr. Childs, the veterinary director general, made a statement that in my estimation is rather peculiar.

I do not want to repeat too much, Mr. Chairman, but I want to bring this one paragraph before you:

> We know right well how it would affect international trade and affect the whole national economy.

He is referring to foot-and-mouth disease. To continue:

> We know that well. However we did not suspect there would be foot-and-mouth disease up there. It was absolutely preposterous—2,000 miles from anywhere that you would expect it. You would expect it at some of our coasts or at our quarantine stations, but not out there.

I think it is rather too bad the veterinary director general should make that statement, because in this day and age it is not preposterous to find any disease any place to which it can be carried by human beings.

As I have said before, we have not criticized anything that has taken place since the diagnosis was made. What we have criticized—and we feel that the criticism has later proved to be justified—is the lag in diagnosis of the disease. At page 92 of the reports of the committee we find that Mr. Wright apparently made a statement, and then the Minister of Agriculture made a statement of which I want to read just a part:

> In this case, if there is anything at all about it that one can criticize, it is that they did not make a proper diagnosis, a correct diagnosis, earlier. Now, that happens right along, both in the practice of medicine and in veterinary practice; but there might be some reason for criticism there, but if there is any reason for criticism it is just as much the business of the provincial department as it is of the federal.

The minister has admitted that there might be some criticism for lateness or delay in diagnosis. We are therefore together on that point. With regard to the statement that it is just as much the business of the provincial department as it is of the federal department, may I say it is absolutely incorrect. As the minister later admitted, the responsibility with respect to any contagious disease in Canada rests with the federal Department of Agriculture.

Another thing I should like to bring out is the fact that one or two of the witnesses before the committee were so sure it was vesicular stomatitis that they could not see the forest for the trees. At page 205 of the reports of the committee we have Dr. Childs giving evidence in reply to questions by Mr. Cardiff, and we find the following:

> Q. Is that not similar to foot-and-mouth disease, very closely related to it? A. It has some similarity.
>
> Q. Well, if you were not absolutely sure, would it not prompt you to take a test and be absolutely sure that you were dealing with a very contagious disease?

Here is Dr. Childs' answer.

A. I was satisfied that we were dealing with simple vesicular stomatitis or we certainly would have gone further, and quicker, with the tests.

Later on at page 267, in giving replies to questions asked by myself, as a matter of fact, Dr. James said this:

Q. And you injected the horses? A. Yes.

Q. So that you would have preferred to have been able to get young horses from premises away from those on which the infection was suspected? A. Yes. Dr. Christie mentioned that at one time; but the unfortunate fact was that we just thought it was stomatitis and not so very important and that was not done.

Then at page 273, in answer to questions by Mr. Wright, Dr. James said:

Q. It would not indicate anything more dangerous, that was not the reason why you inoculated the horses—to determine whether there was anything more dangerous than stomatitis? It was simply to determine whether there was stomatitis or not? A. It is a quite common thing.

Q. In other words, there was no discussion between yourself and Dr. Carlson and Dr. Christie as to the possibility of this being anything dangerous? This was the first field test that would be made? A. No, the idea was we agreed that to satisfy ourselves we would inoculate horses.

Q. To satisfy yourselves? A. That they had stomatitis. We could prove stomatitis by producing a reaction in the horses.

Then again at page 277 we find this in answer to questions by Mr. Harkness:

Q. The thing you wanted to establish by injecting these horses was that it was stomatitis but, if it were not stomatitis it must have been in your mind that it was foot-and-mouth disease? A. No, it was not.

Q. Why inject the horses at all if you were certain it was stomatitis? A. Well, when you are sending an official document down to the head of government you do not want to play around with it. You want to have something to show you know what you are doing—to back up your judgment. To back up my judgment I inoculated the horses with the advice and instructions of my superior officers—not to satisfy myself about foot-and-mouth disease.

Earlier, in answer to a question by Mr. Harkness we find this:

Q. If you were not suspicious why did you inject these horses on December 3? A. To satisfy myself as to the type of virus we had.

Q. Is it true that the only thing an injection on the horses will do is to satisfy you that it is stomatitis or foot-and-mouth disease? A. I was not bothered about foot-and-mouth disease. I wanted to satisfy myself that we had stomatitis.

That is the evidence given by one of the veterinarians who appeared before the committee. Again at page 335 we have this evidence given by the assistant veterinary director general, Dr. Hall, in reply to questions by myself?

Q. And when you speak of a vesicular disease the first thing that comes to your mind is that it might be foot-and-mouth disease, is it not? A. Yes.

Q. Dr. Childs went out there on the 14th and he assured you; how could he be so sure that it was nothing else but stomatitis although he did not say it was—of course, you cannot answer that—after he had been out did he state to you any reason for saying he was so sure it was stomatitis? A. I believe that was due to the fact that he had been in the stomatitis outbreak in 1938 and 1939; he had dealt with stomatitis.

Q. He had dealt with stomatitis? A. With stomatitis, more than I ever had.

Q. But he had not been out and seen this? A. He went there.

Q. But he did assure you that it was stomatitis and there was nothing to worry about? A. Nothing to worry about, that is correct.

The next thing I should like to discuss is the sending of samples. There was a great deal of discussion in committee regarding the sending of samples. It has been said on various occasions that it is very dangerous to send these samples from one part of the country to the other. Much more dangerous material is being sent every day from Chalk River. There are diseases that cannot possibly be diagnosed in any other way than by sending samples to Hull. Therefore I cannot see any justification for that statement. On page 224 of the report Dr. Carlson was being questioned by the hon. member for Lake Centre, and he made answer as follows:

By Mr. Diefenbaker:

Q. Just a few questions in regard to what the doctor says about laboratory tests being the only way in which the matter can be determined.

A. That is the definite way—the only proper way.

Q. The only proper way?

A. Field tests are used but they can kick back on you—at least that is my professional opinion; but I may be wrong.

On page 292 Dr. Mitchell gave evidence before the committee, and at the beginning of his evidence he made this statement in part:

Vesicular diseases are treacherous and the only sensible thing was to get specimens in as soon as possible and because we have a virus unit all the necessary work can be done perfectly safely. Therefore the logical step was to send those specimens in. Dr. Hall agreed with that and four days later the specimens arrived.

On page 414 Dr. Christie, in giving evidence in answer to a question by myself, replied as follows:

Q. Now, Dr. Christie, you said that the department policy with regard to the sending of samples in to the lab at Hull has been against sending any samples since you have been in the department. That is a true statement of what you said, was it not?

A. More particularly since 1945.

Q. More particularly since 1945?

A. Yes.

That in effect meant that since Dr. Childs, who is now the incumbent of the office of veterinary director general, took over a ruling was put into effect that it was dangerous to send the samples in. In giving evidence at page 153 Dr. Childs himself—

Mr. Gardiner: Did I understand the hon. gentleman to say that Dr. Christie had said

something which indicated that this decision had been reached since Dr. Childs became the director general?

Mr. Charlton: Since 1945.

Mr. Gardiner: The decision not to send in samples?

Mr. Charlton: Apparently. Does the minister want me to go over that again?

Mr. Gardiner: Will you let me read what he actually did say—

Mr. Charlton: It is to be found on page 414. If you will look at that page you will find it is in the report, and that is all I can say.

Mr. Gardiner: Read what he said at the top of page 409.

Mr. Charlton: I know that Dr. Christie was not in favour of sending samples. I agree with the view that at that point Dr. Christie was not in favour of sending samples, but the fact is that he said—

Mr. Gardiner: My hon. friend says Dr. Christie gave the reason that the order was made in 1945 for the first time. Here is what Dr. Christie said:

> I would like to say here that this rather amazed me, certainly surprised me, for after years of schooling in the danger of forwarding specimens of a virus nature, I did not look very kindly on forwarding specimens but they were the instructions.

He says that years of schooling in the danger of it had brought him to believe that it was not the proper thing to do, and if left to his own volition he would not have done it.

Mr. Charlton: I was simply quoting what was on page 414, and the answer was: "more particularly since 1945". I repeated the question to him and his answer was "yes". Those were Dr. Christie's own words. They were not mine.

Mr. Gardiner: This is Dr. Christie's own opinion.

Mr. Charlton: Some statements were made in the committee during the hearings which absolutely astounded a past veterinary director general, because he had been veterinary director general previous to that time, and he himself wrote a bulletin to the effect that that was the way to diagnose the disease. Does the minister think that after writing the bulletin that man would go against his own ruling and have the ruling in the department that it was dangerous to send samples, particularly after instructing officials in the field to do it? I think it is rather unreasonable even to think so, because that past veterinary director general always stuck to the fact that it was important that any vesicular disease should be diagnosed in that way to be sure of the diagnosis.

[Mr. Gardiner.]

The minister can say it is dangerous to send samples; he can say anything, as a matter of fact. Unless it is contradicted, nothing else is going to be said, but when he makes statements that are not facts then I consider it my duty to correct them.

Mr. Gardiner: It is not the minister's statement; it is the statement of Dr. Christie who is in charge of the district surrounding Regina.

Mr. Charlton: Yes, I know; but the minister has maintained that right through. Of course he would be expected to do so, in view of the fact that his top official had maintained it and had done it in that way; therefore you would expect the minister naturally to protect that official.

Here is the astounding thing. Since the disease has been diagnosed nothing different has happened in the east, nothing at all, as far as the disease is concerned. There have been no outbreaks here, thank goodness. Here is a very strange thing. The hon. member for Acadia on page 153 put a question to Dr. Childs as follows:

> Q. Well, it is in the light of that that I cannot understand the order you gave, carried on page 4 (session paper 169-F), dated February 29, which I will read:
>
> Memorandum to district veterinarians:
>
> Supplies and equipment for collecting material for laboratory examination obtained from cattle or other animals suspected of being infected with foot-and-mouth disease are going forward to your office from the animal diseases research institute, Hull, P.Q.
>
> When there is the least suspicion that foot-and-mouth disease may be present samples from the affected animal or animals should be immediately collected and sent forward to the A.D.R.I., Hull, P.Q., by air express or the most rapid method of transport available for laboratory examination.

Why was that change in policy put into effect after the disease was diagnosed? That is the peculiar point. It is all right to try to keep the thing quiet. That is perfectly true; but why is sending a sample across the country in a sealed package in an unbreakable container going to let out the idea that there is foot-and-mouth disease in the country?

Mr. Gardiner: The hon. member is asking why this, why that, and then repeating over and over again what was said in the committee many times, and what was corrected. He says, "Why worry over the suggestion that there is some danger with it when you can put it in an unbreakable parcel and send it?" That is not the point at all. After you have taken it out of the unbreakable parcel and put it into the animal the animal can spread the disease. That is what is done with the virus after it is brought down here. It is not kept in an unbreakable bottle; it is injected into an animal.

Mr. Charlton: Has the minister ever visited the institute at Hull?

Mr. Gardiner: Yes.

Mr. Charlton: To see how this is done?

Mr. Gardiner: Yes.

Mr. Charlton: Are you sure?

Mr. Gardiner: Yes.

Mr. Charlton: I have heard otherwise.

Mr. Gardiner: I am often at places when some people do not know I am there.

Mr. Charlton: There is not much good going at night when nobody can see you. I have visited that laboratory and in my opinion, if it is worth anything at all to this committee—the minister does not think it is, but somebody else might—there is absolutely no danger through handling animals in the laboratory in Hull. There is a double fence right around the area that no animal could possibly get through or contact another animal at least half a mile distant. How could the disease be carried under those conditions? The animals are kept in an absolutely closed place and every bit of refuse, and the animal itself after the disease is diagnosed, is burned right on the spot. There is absolutely no danger. I would suggest that the minister go there again and have it explained to him. He would not be so fearful. Then to continue the question by the hon. member for Acadia as reported on page 153:

> Well, I should have thought by then that you knew for certain that it was foot-and-mouth disease that it would be even more dangerous to send the samples by air, because you had already countermanded the order as it might spread the disease had the samples been broken. Yet when you ascertained it was the foot-and-mouth disease you then gave the order to send samples by air.
>
> A. Yes, once we knew the disease was established we had another problem on hand, in connection with animal inoculation in the field. To do this we would have to go well away from the affected area, secure suitable animals, bring them to some place where we could certainly isolate them and carry on the test. This takes considerable time. In the meantime, a serum has become available for making tests on this material, and we have better equipment.

I do not know whether better equipment was purchased between the time the disease was diagnosed and February 29. The answer continues:

> Then we had unbreakable tubes and so on, so in the interest of making, verifying, diagnosis as rapidly as possible and getting infected animals into the ground, we had to give way on that point.

That is the evidence as set out. The hon. member for Regina City seems quite intrigued with all this; he seems to think it funny. If he wants to make a speech following mine I shall be glad to listen to him. He made some rather personal statements in the house on previous occasions and I would like—

Mr. McCusker: I shall renew them at the first opportunity.

Mr. Charlton: That is your privilege.

Mr. McCusker: I think I am right.

Mr. Charlton: You may think you are; somebody else may think otherwise.

Mr. McCusker: That is what is worrying you.

Mr. Charlton: That is not worrying me one particle.

Mr. McCusker: The uncharted sea.

Mr. Charlton: As I said before, the field tests as carried out were not, as is stated in the committee report, in accordance with the procedure in the United States. Three tests were made previous to February 18; two horses were injected on December 2, one horse was injected on December 12 and one on February 12. Of those four horses, one alone reacted to the test. That in itself should have been sufficient evidence to prove the existence of foot-and-mouth disease. In the case of the one horse which did react, it did not react until five days after the injection was made. I contend that it may not have been the injection that caused the vesicles, it may have been the toothbrush which they used to transfer the material. Almost anything could have happened.

One veterinarian was given the complete responsibility of making the injections and reading the results. I contend that is a dangerous procedure. No matter how good the veterinarian is I do not think he would want to have that responsibility. He would want somebody else along to consult with and to see that the work was done in accordance with the principle that two heads are better than one. However, that was not done. Dr. Childs, in answer to the hon. member for St. John's West, made this answer as reported on page 212:

> Q. And if your message to Dr. Carlson had got through in time these specimens would not have come?
>
> A. They would not have come, no. I would have been out there making field tests.

On February 18 the veterinary director general did go to Regina and make field tests according to the United States department of agriculture standards, except that they did not use guinea pigs. That actually was not necessary, he did use young animals from outside the area. Injections were made into two each of young cattle, pigs, and horses in the presence of the veterinary director general.

The fact is that those tests did not prove anything. The inoculations on February 18 proved to be a flop. That is further evidence to show how difficult it is to get a complete and accurate diagnosis in the field. The field tests made in the presence of the veterinary director general and according to the United States department of agriculture standards proved absolutely nothing.

There is a wire on the record from Dr. Wells asking for permission to run another test in view of the fact that that one was not satisfactory. The minister took up almost one complete page of the record in questioning Dr. Christie in an attempt to prove to us there in the committee and to the country at large that this had been diagnosed before the complete and final diagnosis had been issued from Hull. He spent considerable time directing questions to Dr. Christie in an effort to bring out the evidence he desired. It is quite justifiable in committee to try to bring out the answers that you want. Here are one or two questions by the Minister of Agriculture that I should like to quote. The passage reads as follows:

Q. In other words, you were convinced that the foot-and-mouth disease was there before either the Americans arrived or before this test was made down in Ottawa?

Dr. Christie's answer was, "yes, sir." Then there is the following:

Mr. Argue: That was after the samples were sent?

Right Hon. Mr. Gardiner: Yes, but before they were tested. And as a matter of fact, the whole diagnosis of the disease was made apart from what the tests tell us.

Is the minister now going to say that the whole method of testing is unnecessary, that they diagnosed the disease without tests, that the disease was diagnosed on the 17th of February when the veterinary director general went out there, before he had heard from the laboratory in Hull and before the inoculations were made on the 18th of February? Is the minister saying that?

Mr. Gardiner: All I have ever said at any time is that the method of diagnosis followed in connection with this case is the same method that is followed in the United States. I do not say that every veterinarian who took part in any of the activities in connection with it did everything that happens to be in a book, but I say the method that was followed in diagnosing the case was the same method that is followed in the United States in connection with all such epidemics. It was eventually shown to be foot-and-mouth disease, but that does not indicate that anyone made any mistakes. Naturally there are mistakes made by persons in dealing with a situation of that kind; but to say that the mistakes were a matter of negligence on the part of the veterinarians is, I think, a wrong interpretation to put on it. You have asked me what I think about it, and the fact is that the method used is the method which the Americans think is the right method. After all, even if it took a month or a month and a half or two months in order to carry it right through to a conclusion—

Mr. Charlton: Three months.

Mr. Gardiner: —the important thing is it has taken that long in the United States on occasion. In fact it has taken longer on some occasions than it took here. The other important fact is that they now say that everything that was done was the proper thing to do, was done in the proper way, and achieved the results they would have got themselves had they been doing it.

Mr. Charlton: Of course the minister can say they say this and they say that or something else, but we have never heard any of the profession from the United States make these statements. The minister tried to stop one of the members of the committee from reading a letter from a veterinarian, and I want to say something about that before I sit down. That was an actual signed letter. The minister would not let it appear on the record, but now he tells us that they say this and they say that.

Mr. Gardiner: My hon. friend objected to a document published by the department in the United States being put in as evidence, which said that very thing.

Mr. Charlton: Was that a document or a letter?

Mr. Gardiner: It was not a letter. It was published by the department in the United States.

Mr. Charlton: No one objected. As a matter of fact we asked that it be put on the record, but the minister did not produce it. We asked that the original be produced, but the minister never produced it. We would have liked to have the original. I have quoted from the United States department of agriculture year book.

Mr. Gardiner: It was lying on the table and was produced, but it was not admitted as evidence. It was objected to as evidence. It was said it was hearsay.

Mr. Charlton: That is an absolute falsehood, because no one would object to an official document.

Mr. Gardiner: If you are going to talk like that you should be more careful.

Mr. Charlton: It was a copy of that document which the minister wanted to place on the record of the committee. As I said, I have read from the United States department of agriculture year book.

Mr. Gardiner: I did not want to place anything on the record. One of the witnesses was reading it and he was stopped because it was hearsay evidence. I had nothing to do with it.

Mr. Rowe: You are putting hearsay on the record now.

Mr. Charlton: I think I will let the people who are really interested be the judges of the whole matter. I do not think the judgment of those on the other side of the house is so important. We will let the people who count judge whether or not this thing has been carried on properly. I pointed out the evidence placed before the committee and the minister now states that these methods are followed in the United States. If the minister wants to stick to that in the light of the paragraph I read from the United States department of agriculture year book it is perfectly all right with me. It is not necessary for me to say anything more if the minister sticks to that. As a matter of fact the minister is stuck with the argument that the disease was diagnosed by his officials in the field on February 17 or 18 without further examination and without further clinical inoculations. The inoculation that was done on the 18th proved nothing. That admission is in the committee report, but the minister wants us to believe now that the diagnosis was made in the field and that the diagnosis made in Hull had nothing whatever to do with it.

Dr. Mitchell had advised the officials of his department on February 18, two days after he received the sample, that he was very suspicious that the disease was not vesicular stomatitis. The minister knows that. A wire could have gone to Regina and somebody else could have taken advantage of it; but to say that the disease was diagnosed in the field at Regina on February 18 without any word at all from Hull is utter nonsense. What was the difference between February 12 and February 18?

I want to say something about the private veterinarian whose name has been mentioned on various occasions. It is very unfortunate that the name of a private veterinarian should have been brought into the committee hearings and the reports of its proceedings if he was not to be given a chance to come to Ottawa and clear his own reputation. I want to make that very plain. It is unfortunate. This matter was brought up by the hon. member for Melfort, and the minister said he had not said anything in the committee detrimental to this veterinarian's reputation. I have the committee report here. I expect the minister also has it, and if he wants to follow me he can turn to page 437 of the committee proceedings where he will find the following:

> Right Hon. Mr. Gardiner: Mr. Chairman, on both a point of order and a question of privilege: the hon. member is putting evidence on the record from a witness whom this committee refused to call. I do not think that is proper . . . As far as I am concerned, I have no knowledge of it. Respecting the other matter, as to whether he should be called or not, the committee decided not to call him, and I submit that we should not now have a written statement from him put on the record.

It need not have been said in the committee that this witness was not to be called. Why should it be brought up at all if he was not going to be called? That is my attitude. The minister went on to say:

> Reasons were given as to why he should not be called.

That very statement implies that there were reasons why he should not be called. I think it is only fair to that practitioner that the reasons should be given and that he be given a chance to clear his own reputation. It was stated later that he had a disagreement with the association. It is in the committee report. It is not private now. It is open to the public so there is nothing wrong in repeating it again. The minister says he did not say anything detrimental to this man's reputation but here the minister states: "He had a disagreement with the association out there, and I understand he was up before the board of the association and they gave him a talking to as they do in most cases." When the minister says he said nothing in the committee that would be detrimental to his reputation, that is not true, Mr. Chairman. I think this man has been done a great injustice, a very great injustice, and I think it should be corrected in some way.

It was also said in the committee that the chairman was supposed to have contacted the veterinary association with which this veterinarian had had this difference of opinion. I asked the chairman on various occasions whether he had done so or not. I asked him at the first meeting between eleven and one o'clock and finally between four and six o'clock, I believe it was, I did get an answer after a considerable amount of probing.

> The Chairman: No, I did not.
>
> Mr. Charlton: Mr. Chairman, that is a question that can be answered yes or no. Did you consult the veterinary association, and which association did you consult?
>
> The Chairman: No, I did not consult them directly.
>
> Mr. Charlton: You did not consult them directly?
>
> The Chairman: No.

In other words, Mr. Chairman, the chairman of the committee did not consult the veterinary association at all; yet it went on the record of that committee that he was supposed to have done so, and it was intimated that he had received some information from that association that would make Dr. Hewitt an unreliable witness before the committee.

Now, Mr. Chairman, there is another matter I would like to mention. It is that we have had a considerable amount of discussion recently regarding one particular man's accusations against the United States government in relation to germ warfare. It is a subject we do not want to talk about and I realize it is a subject we do not want to think about. We have to face the facts; we have to face realities that concern everyone in this country. I hope there is not, but if there ever is bacteriological warfare in this country, this is the very thing we can expect any day of the week in any part of the country regardless of whether or not it is in a coastal area. Now, for goodness' sake let us make use of those facilities we have. Thank goodness we have them, let us make use of them and not belittle them any more.

Mr. Ferrie: Mr. Chairman, I do not think it is right or proper to let this pass. We have in this country a billion dollar industry, a livestock industry that is one of the greatest in the world. It is an industry that has taken a lot of time, hard work and trouble to get to the position it is in today. In Canada we have 8 million cattle. When you come to consider it, 8 million cattle in this country have to suffer because of the things that have happened in this house during the last three or four months. Three or four members of that committee—one of them more especially, though I do not blame him so much as he is a lawyer and I cannot say he should understand the cattle business—made definite statements, and they knew what harm they were doing to the cattle industry.

Let us take this episode tonight. What has happened? Tomorrow morning or tomorrow at noon the United States press will come out with this story of what has happened here tonight. If a man there is interested in cattle, what will he immediately do? His fears will be aroused at once. He will say: They've still got that disease up in Canada; they are still fighting over it.

Mr. Chairman, I think it has gone beyond all common sense and all reason to think that a member would get up in this house here and discuss this after it has all been talked over in the committee. I am sure if the hon. member has any cattlemen in his district—and by the way he talks he should have lots of them—those cattlemen will surely show him some time in the near future just what they think about his speech here tonight.

An hon. Member: He will not be elected again.

Mr. Ferrie: If there is anything that has done harm to the cattle business it has been this long weary talk about what is going on in the Regina district. In thinking about the diagnosis of these cases out in Regina I want to commend the veterinary department. They gathered seven veterinaries together. Those seven veterinaries went out to the Waas farm and looked it all over. Not one said there was foot-and-mouth disease. Those seven men kept track all the way through.

I will agree that hindsight is always better than foresight, and of course the hon member for Brant-Wentworth has had lots of hindsight. But he did not have much foresight, because if he had the foresight and the ability he says he had he would have flown out there and told them it was foot-and-mouth disease. He did not do that, but he started on a political proposition. He started it in the house, and then he started it in the committee. That is what we have had to put up with. The cattle industry in Canada, a real industry and the second largest in Canada, has had to put up with this kind of nonsense.

If you want to look the situation over what do you find? You find that they have had to kill thousands and thousands of cattle in the old country. They slaughter thousands of them, and you do not see one word about it in the press. All you see is that they have slaughtered cattle. They do not have it in committees, they never have arguments in the house, but we have had one or two men in this house trying to condemn our veterinarians who are doing their best. They have done their best; they say they are satisfied that they have cleaned it up; and they have done what they should have done since the 18th of February. Why can't these hon. members say they did a good job before that and help the industry out?

I say to this house and to the people of Canada that I know quite a lot about livestock; and I say the veterinarians did a thorough job all the way through, a thorough job. In the first place they did not let us down by crying "foot-and-mouth disease!" before they were absolutely sure. In the second place they carried on and they left the disease in such a way that they could

handle it. They quarantined all around. They handled it, and they proved that they have handled it. They also proved that they knew their job. I want to say to the member who has just spoken that whether he thinks so or not, and whether he likes it or not, we were very, very fortunate that the disease was in a very weakened condition and that those men did not find it as quickly as they might have found it if it had been stronger. If it had been as strong in the early part of November and December as it was in February they would have found it at first; but let me tell him that we would have still had the cattle we exported at that time. We would have lost the millions and millions of dollars that came from the United States for those cattle. I want to say we should be thankful that it was in that condition. After all, I am sure a lot of the hon. members know that in that part of the country it is the middle of May before the frost goes out of the ground, and quite often it will be June before all the ice goes. It was easy enough to say it was impossible to get that cleaned up. It is only now that they can say they are going at it in order to be sure that it is cleaned right up. They have put stock in there, and they are looking after it. I say in all sincerity and in all seriousness, for the betterment of the livestock industry of Canada, let us forget this thing. Let us leave it to those who know something about it. Let us carry on and help the trade, not hinder it.

Mr. Charlton: Will the hon. member permit one question?

Mr. Ferrie: Certainly, go ahead.

Mr. Charlton: What did you mean by the remark that you were very thankful that the disease was not diagnosed at the start?

Mr. Ferrie: I did not say that. I said we should be thankful that it was in such a weak condition that they could not diagnose it.

Mr. Charlton: That statement, Mr. Chairman, should never appear in this record. It will do more harm to the lifting of the embargo than any other statement that was ever made.

Mr. McCusker: I did not intend to speak tonight, but having heard the drivel that has been put forward by the hon. member, the pseudo-veterinarian, I could not keep quiet in my seat.

Mr. Ross (Souris): We should have some medical drivel now.

Mr. McCusker: I know you cannot take it.

Mr. Ross (Souris): We shall sit right here and take it.

Mr. Drew: On a question of privilege, Mr. Chairman, the hon. member has a perfect right to carry forward such brief as he sees fit, but he has no right to refer to the remarks of another member of this house as drivel.

Mr. McCusker: I withdraw the remark and say the most serious remarks coming from the Tory party.

Mr. Drew: Does the hon. member withdraw that remark?

Mr. McCusker: I withdraw the remark and exchange therefor, "the most serious observations coming from the Tory party". I shall say instead, having listened to the most serious observations coming from the Tory party, from the most skilled of veterinarians.

In the early days of this session there was an agreement that in order that they could remunerate the men whose cattle had suffered from this disease, a bill would be put through in short order. The first one who reneged on that agreement was the hon. member for Lake Centre, and he was followed by the hon. member for Rosetown-Biggar—

Mr. Casselman: Order.

Mr. McCusker: I am sorry; the hon. member for Lake Centre and the hon. member for Rosetown-Biggar are not in the house. If there are any doubts as to what parties they belong to, I shall correct those. In this election in Saskatchewan, we could not tell which was which. There was an agreement on March 3 that a bill should go through quickly to provide for the remuneration of those farmers whose cattle were suffering from this disease and had to be slaughtered. You will remember that the debate lasted three days, and every effort was made to show how negligent the veterinarians were.

You will remember that at that time—I hate to repeat myself—I told you how difficult it was to diagnose the disease. I think you will all agree today that there are attenuated viruses that cause disease, and it is only after they have passed through a series of animals that they become virulent enough to demonstrate the characteristics of the specific disease so it can be easily diagnosed. It was in that state that we found ourselves in the autumn. My friend the hon. member for Brant-Wentworth at that time read, as he did tonight, from the veterinary books and probably the encyclopedia. I do not know which he was reading from.

Mr. Charlton: On a question of privilege, Mr. Chairman, I have never quoted from the encyclopedia in this house at any time. Tonight I said—

Mr. McCusker: The hon. member stood up, and he read—

Mr. Charlton: I told the hon. member what I was quoting from tonight. Certainly if he had been listening he would have known it was not the encyclopedia but the United States department of agriculture year book. That is the only book I had here.

Mr. McCusker: Had the hon. member been listening, I said he quoted from the encyclopedia or from a veterinary magazine. I mentioned the two. I gave him his choice.

Mr. Charlton: It was neither one.

Mr. McCusker: He quoted that night and read to us at length about the symptoms of the disease. You will remember that I told him it was dangerous to travel uncharted seas; that he was an armchair veterinarian. Those men who were in Saskatchewan were working with the real problem, and on account of the atypical disease they had to study it carefully before they committed themselves.

Some years ago in Saskatchewan we had vesicular stomatitis, and we were cleared of the disease without denying ourselves outside markets and without any embargo. These men thought that this was the disease we had last year in Saskatchewan, and they pursued the same cautious steps to diagnose it. I know my friend is getting advice from the hon. member from St. John's West who knows all about every disease.

Some hon. Members: Oh, oh.

Mr. Browne (St. John's West): On a point of order, Mr. Chairman, I do not see any reason why the hon. member should make a reference to me.

Mr. McCusker: You are advising my friend, are you not? Are you not acting in your judicial capacity?

Mr. Browne (St. John's West): I can have something to say when you are finished.

Mr. McCusker: We shall let that go by, but my friend at that time got up and he read from—

Mr. Browne (St. John's West): May I ask the hon. member a question?

The Deputy Chairman: Order.

Mr. McCusker: Sure, you can ask me any question as long as it is an intelligent one.

The Deputy Chairman: I do not think the hon. member for St. John's West raised a proper point of order. If he wishes to ask the member who has the floor a question, he can only do so with the consent of the member.

Some hon. Members: He gave consent.

Mr. McCusker: Certainly he has it.

Mr. Browne (St. John's West): Did you read the report that the Minister of Agriculture had the veterinary department issue in 1937 dealing with vesicular stomatitis, and which was referred to in the committee?

Mr. McCusker: I have only been in this house a short time, but I have lived in western Canada a long time and I know what has taken place there. I know the difference between a disease affecting humans and one affecting cattle, and I know how difficult it is at times to diagnose them. I do not want to reproach you, as I am so sorry for you, but tonight I am going after this scientific man, the veterinarian.

You will remember that the last time you quoted from a learned report—as to how easily you could diagnose this disease according to learned veterinarians, but the practical ones were out in Saskatchewan at that time, assisted by the veterinarians from the United States, attempting to diagnose and control that disease.

I am going to leave you for a minute, and refer to an hon. member who is not here, the member for Lake Centre, the father of the bill of rights who states that no man should be accused or condemned until he has the right to be heard. He condemned and hanged them in this house without ever giving them a fair trial. One of them was so distraught with that treatment that he committed suicide, harassed as he was by the members of parliament who should have been defending him. All that time you have carried on, knowing that you know nothing practical about the disease. All you know is what you have read. You will remember that I told you: "He who studies patients without books travels an uncharted sea; and he who studies books without patients does not go to sea at all." I told you that. You have never been to sea. I called you a jetty admiral. You never denied it.

An hon. Member: Address the chair.

The Deputy Chairman: May I ask the hon. member to address the chair.

Mr. McCusker: Certainly I will address the chair. The chair is much more handsome than anyone I have seen over there across the floor. You will remember when I spoke I said our veterinarians had done everything within their power to diagnose that disease as early as they could. I said that our Department of Agriculture did everything in its power to reimburse these people who had suffered losses from that disease. They have done that well. You will remember the hon. member bringing up the danger about the deer spreading the disease. We discussed that matter. I pointed out at that time that

the cattle were in winter feeding lots, that they were not on the pastures and that there was no danger of the deer becoming infected and spreading the disease. I think my observations have been proven correct.

I made another observation then, and I think the hon. member from Ontario should take heed of it. I made an observation then, and I am not claiming any great credit for what happened in Saskatchewan at the last election. But I made an observation then that those who were pursuing this foot-and-mouth disease scandal would be wiped out in Saskatchewan. Here is the great Tory party, with the whole of Saskatchewan to draw from for support, and they obtained less than 9,000 votes.

Mr. Hees: How did you do in Ontario? Let us have an answer to that question. How did Walter Thomson do in Ontario?

Some hon. Members: Oh, oh.

The Deputy Chairman: Order.

Mr. McCusker: I may tell you right here tonight, Mr. Chairman—

An hon. Member: Call Thomson from Ontario.

Mr. McCusker: I know you do not like to hear about this.

Mr. Hees: You do not like to hear about Walter Thomson.

Mr. McCusker: —and you can inform those not-so-handsome gentlemen as yourself that the Liberal party obtained 30,000 more votes in Saskatchewan than they did in the last election. The percentage of improvement was much greater than for the C.C.F.

An hon. Member: What about the picture with regard to yourself?

Mr. McCusker: I was not running.

An hon. Member: Wait until next time.

Mr. McCusker: I am just telling facts. I wish to say that the people of Saskatchewan are fed up with talk of foot-and-mouth disease. The reason I feel free to speak of this matter tonight is that my constituency is surrounded with this foot-and-mouth disease. The Tory members who ran in Saskatchewan lost their deposits and Hamilton saved his by a few hundred votes. That is how popular an issue it is there. We are fed up with this foot-and-mouth disease issue in Saskatchewan, because it affects my constituency and is postponing the day we can ask for the opening of the United States market. I do not know what they are building up here. I do not know what they are trying to do in this house in trying to show where the fault lies. Surely it is difficult to diagnose the disease. I have told you why. You get an attenuated virus that takes months to build up to the point where it gives you the full characteristics of a disease, and you will admit that.

Mr. Charlton: No, I do not.

Mr. McCusker: Then if you do not, you are not a veterinarian.

Mr. Charlton: On a question of privilege, Mr Chairman, may I say that I never admitted—

Mr. McCusker: The hon. member may ask all the questions he wishes to ask.

Mr. Charlton: I am not asking questions.

The Deputy Chairman: The hon. member is rising on a question of privilege, as I understand it.

Mr. Charlton: I am rising on a question of privilege. I never made the statement that an attenuated virus could not be diagnosed and the hon. member knows very well that is not true. Maybe he thinks I do not know what I am talking about.

Mr. McCusker: So that the matter will be clear, I made the statement that an attenuated virus may be introduced into an animal and it will not produce typical symptoms of the disease. You get an atypical disease that is difficult to diagnose. It is only after the virus has passed through one, two or three animals that it gains sufficient virulence to produce typical disease symptoms easily diagnosed. I say that was the situation in Saskatchewan, and I blame no veterinarians.

Mr. Charlton: Did you read the reports?

Mr. McCusker: Listen! I have done more than read. I have practised. Mr. Chairman, there were two salient features that surrounded the origination of the disease. Those were the facts that surrounded the introduction of the disease into Saskatchewan. Surely Willi Bruntjen came in from Germany or somewhere. But how can you tell whether Willi Bruntjen brought that disease with him or not?

Mr. Casselman: Why try?

Mr. McCusker: You try. You blame the government for this. We have not had foot-and-mouth disease in this country for a hundred years. We would not suspect it. We had the great big protective belt of the United States on one side. On the other side we had the Atlantic ocean. Can you blame our immigration authorities because they were not inspecting every man's clothes for foot-and-mouth disease? There are a

great many diseases that you can inspect them for. However, Willi Bruntjen came into Regina and he went out to the Waas farm. After he left they found this attenuated disease which they diagnosed as vesicular stomatitis. Had they immediately said, "this is foot-and-mouth disease" and had they quarantined the whole country, and then had it turned out later that it was not foot-and-mouth disease, just consider the economic harm that would have been done to our country.

Mr. Hees: Will the hon. member permit a question?

Mr. McCusker: No. Sit down.

An hon. Member: He is afraid to answer a question.

Mr. Hees: He is just like Walter Thomson.

The Deputy Chairman: Order. The hon. member may not be interrupted without his consent.

Mr. McCusker: I do not mind when I am interrupted by an agriculturist, but the hon. member knows no more about agriculture than he does about military matters.

Mr. Hees: Stand up and answer the question if you have any guts.

The Deputy Chairman: Order.

Mr. Hees: He is just like Walter Thomson.

Mr. McCusker: These men went about their work in Saskatchewan and diagnosed the disease; and when they finally learned that it was foot-and-mouth disease they went about their work and did the most marvellous job that has ever been done in any country in clearing it up. That disease has been eradicated. What we want to eradicate today is—

An hon. Member: The Tories.

Mr. McCusker: —or what we want to get rid of today is the embargo on our livestock which prevents their going to the United States market. I am asking my hon. friends over on the other side of the chamber how they are helping us—

Mr. Hees: Sit down and you will help the whole thing.

Mr. McCusker: —in removing the embargo when they are getting up here and saying that our veterinarians, our most skilled people in Canada, have bungled. They know in their hearts that they have not bungled. The only men I have heard raise a voice in opposition to what our veterinarians have done is the armchair veterinarian over there on the other side of the chamber.

Some hon. Members: Oh, oh.

[Mr. McCusker.]

Mr. McCusker: Are we to listen to that sort of thing? Are we to allow our markets to be closed? Are our papers to be full of suggestions with regard to bungling when we have done the best job any country has ever done in eradicating a disease like this?

I had not intended to speak tonight, but this matter affects my constituency. I live in Regina. My constituency was surrounded with this foot-and-mouth disease. I told the critics what would happen to them there, and I am going to tell them that if they pursue this course it will happen to them elsewhere.

Mr. Browne (St. John's West): Mr. Chairman—

Mr. Riley: Are you a judicial veterinarian?

The Deputy Chairman: The hon. member for St. John's West has the floor.

Mr. Browne (St. John's West): I am not a farmer, Mr. Chairman—

Some hon. Members: Oh, oh.

Mr. Browne (St. John's West): —and the majority of the members in this chamber are not farmers.

Some hon. Members: Oh, oh.

Mr. Browne (St. John's West): And the hon. member who has just sat down is not a farmer.

An hon. Member: Yes, he is.

Mr. Browne (St. John's West): I understood he was a doctor.

Mr. Ross (Souris): A farmer of the farmers.

The Deputy Chairman: Order.

Mr. McCusker: Mr. Chairman, I should like—

Mr. Browne (St. John's West): I only just started—

Some hon. Members: Sit down.

Mr. Browne (St. John's West): Mr. Chairman, in this house—

Mr. McCusker: On a question of privilege—

The Deputy Chairman: The hon. member has risen on a question of privilege.

Mr. McCusker: I want to inform the hon. gentleman that I went to Regina in—

Some hon. Members: Order.

Mr. McCusker: The hon. gentleman said I was not a farmer. I went west in 1903 to live on a farm, and I still own and run a farm.

Mr. Browne (St. John's West): I have been eating meat, eggs and poultry all my life. That is what we are talking about.

Mr. McCusker: Mr. Chairman—

The Deputy Chairman: Order. I wonder whether hon. members of the committee would allow the hon. member for St. John's West to proceed with his speech on agriculture.

Some hon. Members: No.

Mr. Browne (St. John's West): Now, Mr. Chairman—

An hon. Member: He has pin feathers.

Mr. Browne (St. John's West): I presume that remark is helpful. I should like to say, Mr. Chairman, in the first place that we are here in this house as legislators; and every hon. member, whether he is a fisherman, a farmer, a doctor or a lawyer, has an equal right here in passing legislation. If a lawyer sits on a committee dealing with agriculture, fisheries or finance he has as much right there as any expert.

Mr. McCusker: He has not as much knowledge.

Mr. Browne (St. John's West): I should think he should be judged by the intelligence he displays in dealing with the subject under discussion. The hon. gentleman who has preceded me is a doctor. I believe he is a distinguished doctor. He happens to be a distinguished parliamentary assistant to the lawyer who is head of the Department of National Health and Welfare. I should like to have the hon. member's opinion of his chief, who is a lawyer in charge of the health and welfare of this country. But, sir—

Mr. McCusker: The best minister of health I ever worked under.

Mr. Casselman: And the only one, too.

Mr. Browne (St. John's West): The hon. gentleman is a medical man, and I take it that it is his duty to keep up with modern research in medicine. I am quite sure he is aware of all that has happened since the time of Jenner and Pasteur.

Mr. MacKenzie: Oh, dear!

Mr. Browne (St. John's West): Yes; these gentlemen discovered—

Mr. McCusker: Gone far beyond that.

Mr. Browne (St. John's West): —what bacteria and germs do. I am sure that if he was treating a patient in Regina, one of his constituent's children, and he noticed something yellow or whitish in the mouth, he would suspect diphtheria or typhoid and would say: "I will take a swab and send it to the laboratory and have it tested immediately".

Mr. McCusker: May I inform the hon. gentleman—

The Deputy Chairman: Order.

Some hon. Members: Sit down.

Mr. McCusker: Will the hon. member permit a question?

Some hon. Members: Sit down.

The Deputy Chairman: Order. The hon. member who has the floor may not be interrupted without his consent.

Mr. McCusker: On a question of privilege, when the hon. member is classifying me, his classification is much too low. I am an eye specialist.

Mr. Browne (St. John's West): Although the hon. gentleman is an eye specialist, I am sure that he has had sufficient scientific training to know that today doctors take advantage of all the discoveries of science, and veterinarians should do the same. It is idle for the members on the other side of the house to pretend that we can go to the expense of keeping a laboratory over in Hull for the special purpose of analysing and diagnosing diseases of cattle and not use it, as happened between the 1st of December and February 16 when, contrary to the wishes of the veterinary director general and without his knowledge, the specimens were sent to that laboratory, and only in that way was the disease detected to be foot-and-mouth disease.

Mr. McCusker: Mr. Chairman—

The Deputy Chairman: Order.

Some hon. Members: Sit down.

Mr. McCusker: Will the hon. member permit a question?

Some hon. Members: Order.

Mr. McCusker: Will the hon. member permit a question?

Some hon. Members: No; sit down.

Mr. Riley: He lets you ask questions.

Mr. Browne (St. John's West): The right hon. Minister of Agriculture told us in the committee of his experience in 1937. He said: In 1937 I was new to the department. They came to me and said: Look, we have got a disease out there, a contagious disease. It is better not to say anything about it. Keep it quiet. No one will ever know until we publish the report in about a year's time.

An hon. Member: Open the book.

Mr. Browne (St. John's West): I have the book here. And that was done. Nothing was said about it. Nobody knew anything about

it. It was kept a secret between the head of the department and his officials.

Mr. Riley: Let us see how well you can read.

The Deputy Chairman: Order.

Mr. Browne (St. John's West): But at the end of the year when the report was made here is what we find:

Vesicular stomatitis of horses and cattle—

Mr. Riley: What page?

Mr. Browne (St. John's West): At page 67.

Mr. McCusker: British encyclopedia.

Mr. Browne (St. John's West): The hon. gentleman is not fair to himself tonight. He is not displaying the intelligence for which I gave him credit previously.

Mr. Ferrie: You are not, either.

The Deputy Chairman: Order.

Mr. Browne (St. John's West): I am sure that I have not that credit with the hon. member who has interrupted. This is the annual departmental report of the Department of Agriculture for 1937. At page 67 this is what we find:

Vesicular stomatitis of horses and cattle appeared in epizootic form coincidentally with equine encephalomyelitis. The occurrence of this disease causes alarm as its clinical symptoms closely resemble those of foot-and-mouth disease.

Mr. Riley: Oh, oh.

Mr. McCusker: Mr. Chairman, I think the hon. gentleman—

The Deputy Chairman: Order.

Mr. McCusker: Will the hon. member permit a question?

The Deputy Chairman: I must ask the members of the committee to co-operate in allowing the hon. member for St. John's West to complete his speech.

Mr. McCusker: I asked his permission to ask a question.

An hon. Member: Sit down, you jumping bean, you.

Mr. McCusker: What is an epizootic form?

Mr. Browne (St. John's West): I do not suppose you want me to read it all over again.

Mr. Stuart (Charlotte): Go ahead.

Mr. Browne (St. John's West): I continue: "The virus"—

Mr. Stuart (Charlotte): Start right at the beginning.

Mr. Browne (St. John's West): I should like to point out to the members on the other side of the house that this is not a laughing matter; it is a very serious matter, as an hon. gentleman to my right points out, involving a billion dollar industry. I do not think it should be treated with ridicule. I am not treating it with ridicule.

Mr. Riley: It is not the subject that is being treated with ridicule.

Mr. Browne (St. John's West): The hon. member for Saint John-Albert can speak after I have finished, if he wishes to.

Mr. Riley: Thank you.

Mr. Mutch: Why don't you pick up your marbles and go home?

Mr. Browne (St. John's West): I know hon. members do not want to hear this.

Mr. McCusker: Tell us what it means.

The Deputy Chairman: Order.

Mr. Browne (St. John's West): Mr. Chairman, I wish I could have silence while I read this.

Some hon. Members: Oh, oh.

The Deputy Chairman: Order.

Mr. McCusker: The hon. member wants to read it in silence. Pray allow him to.

The Deputy Chairman: I must again ask hon. members of the committee to co-operate with me in maintaining the decorum of the committee.

Mr. Browne (St. John's West): It continues:

The virus was obtained in specimens taken from affected animals by the chief pathologist and brought to the institute, where the disease was experimentally reproduced and the properties of the virus studied.

What I am pointing out is that the veterinary director general, with the approval of his chief, said that you could not bring in specimens of this disease and should not send them in because it was too dangerous; and here in 1937 the minister is saying that the very procedure was followed. I wish hon. members would listen to me seriously. This is a subject that should be above party politics. I suggest that in the future there should be an immediate departmental inquiry into a disease of this kind, and advantage should be taken of all the facilities in the institute to determine as quickly as possible just what is the disease.

There is one other thing I should like to say before I sit down. If the Minister of Agriculture is not going to carry out the law he should have it amended, because the law says that when a contagious or infectious disease is discovered in cattle it must

be reported immediately to the minister. There is a penalty on everyone; there is a penalty on the owner of the cattle and everyone else in the country who knows of the disease and does not report it. The minister said, "We do not speak of foot-and-mouth disease." He seemed to put the seal of his approval upon the conduct of everyone who had broken the law. If he does not think it wise that—

Mr. McCusker: On a question of privilege. The hon. member for St. John's West has suggested that the people of my constituency consciously broke the law. I wish that remark withdrawn.

An hon. Member: He never said that.

The Deputy Chairman: As I understand it, the remark made by the hon. member for St. John's West was not about any member of parliament and therefore I do not think I can ask that it be withdrawn.

Mr. McCusker: It was a remark against my constituents whom I have the privilege to represent. A member of parliament has no right to accuse the citizens of this country of wilfully breaking the law. If he wishes to get up and say that the citizens of Regina wilfully broke the law—

The Deputy Chairman: Order. As I apprehend it, questions of privilege that may be raised are questions affecting members of this house. I do not think the hon. member for St. John's West has violated any privilege.

Mr. McCusker: I want to be corrected on this. Have I not the right to defend my constituents when a member from Newfoundland says they are breaking the law?

The Deputy Chairman: I think the question of privilege has been disposed of.

Mr. Browne (St. John's West): The hon. member knows I am not reflecting upon the character of his constituents. His constituents whose cattle were affected by this disease reported it to the federal officials or to the doctors in the neighbourhood. It was their duty to report it, and they did report it.

I should like to point out that in answer to a question put by me at one of the earlier meetings of the committee the deputy minister admitted that he had not informed the minister until February 18, I think it was. The minister can correct me if I am wrong. The veterinary director general did not do anything about reporting it to the minister. A contagious and dangerous disease was in existence without the knowledge of the minister during the months of November, December, January and up until February 15 or February 18. It seems fantastic to me that when a disease of this sort was detected it should not be reported immediately to the minister.

I confess that I am no farmer, as I said in the beginning, but I did do some research on the law relating to this subject. I looked up the original act, and it was the intention of the legislature that the minister should be informed right away. It was a matter of high policy as to how the disease should be dealt with. It should not be left to any minor official in the Department of Agriculture.

It was brought out in evidence that the veterinary director general maintained that he did the right thing in not reporting this and not having a diagnosis made in Hull. And the minister says, "We do not talk of foot-and-mouth disease; we do not mention it." Yet the fact is that in every report of the veterinary director general, and I looked at them for several years back, he is always reminding the veterinary doctors in the country to be on the watch for foot-and-mouth disease because there is nothing so dangerous for cattle.

In the face of that evidence it seems to me there is something to be said against the officials of the department. They did not take advantage of the facilities that were at their disposal; and indeed they may be considered to be negligent, as the opposition contended in the minority report.

Item stands.

Progress reported.

PUBLIC ACCOUNTS

SECOND AND FINAL REPORT OF STANDING COMMITTEE

Mr. L. Philippe Picard (Bellechasse): Mr. Speaker, may I have permission to revert to routine proceedings so I may table the second and final report of the standing committee on public accounts?

Mr. Deputy Speaker: Has the hon. gentleman leave?

Some hon. Members: Agreed.

Mr. Picard: I table the second and final report of the standing committee on public accounts.

CANADIAN BROADCASTING CORPORATION

TABLING OF ANNUAL REPORT

Hon. J. J. McCann (Minister of National Revenue): If I may be permitted to revert to motions, I should like to table the annual report of the Canadian Broadcasting Corporation for the year 1951-52, in English and in French.

Mr. Fleming: Will copies be available to hon. members before the estimates of the minister's department will be up for consideration?

Mr. McCann: They are all ready in the distribution office.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we will take up Bill No. 391, to amend the Eastern Rocky Mountain Forest Conservation Act. I think we can finish with that bill as it is not very long. Then we will give first reading to the bill to readjust the representation in the House of Commons. If the house is in the mood later in the day probably with unanimous consent we could give that bill second reading. We would then consider the estimates of agriculture with the hope of concluding them at an early hour.

An hon. Member: What day?

Mr. Fournier (Hull): Then we shall take up the estimates of post office, national revenue, legislation, citizenship and immigration, finance and a few other items remaining. If we finish those we will get through tomorrow night.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

[The following items were passed in committee of supply]:

DEPARTMENT OF PUBLIC WORKS

Acquisition, construction and improvements of public buildings—

340. Ontario (other than Ottawa), $6,458,000.

341. Manitoba, $1,025,000.

342. Saskatchewan, $1,000,000.

343. Alberta, $1,045,000.

344. British Columbia, $2,820,000.

345. Yukon and Northwest Territories, $350,000.

346. Unforeseen improvements, $1,200,000.

Engineering branch—

347. Branch administration, $472,221.

Engineering services—

348. Salaries, surveys, inspections, etc., $1,669,456.

349. Construction or acquisition of buildings, works, land and new equipment, $171,800.

Dredging—

350. Maintenance and operation of plant and contract and day labour works, $3,077,989.

351. New plant, $1,089,000.

Graving docks—

352. Maintenance and operation, $344,486.

Locks and dams—

353. Maintenance and operation, $355,562.

Snagboats—

354. Maintenance and operation, $113,178.

[Mr. McCann.]

Roads and bridges—

355. Maintenance and operation, $321,230.

356. Towards international bridge over the St. Croix river between St. Stephen, N.B., and Calais, Me., the state of Maine to pay a like amount (revote), $10,000.

357. Towards interprovincial bridge over the Ottawa river between Pembroke, Ontario, and Allumette Island, Quebec, the provinces of Ontario and Quebec each to pay one-third of the cost and maintenance thereof (revote), $50,000.

Acquisition, construction and improvements of harbour and river works—

Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works listed in the details of the estimates, provided that treasury board may increase or decrease the amount within the vote to be expended upon individual listed projects—

358. Newfoundland, $2,341,300.

359. Nova Scotia, $3,401,000.

360. Prince Edward Island, $1,950,000.

361. New Brunswick, $2,755,000.

362. Quebec, $5,165,600.

363. Ontario, $5,609,000.

364. Manitoba, $125,000.

365. Saskatchewan, Alberta and Northwest Territories, $148,500.

366. British Columbia and Yukon, $6,992,000.

Harbours and rivers generally—

367. Repairs and upkeep for the maintenance of services, including reconstruction and replacements, and to authorize commitments against future years in the total amount of $660,000, no new works to be undertaken, $2,975,000.

Generally—

368. Fraser river—50 per cent of the cost of investigations to be carried out by the dominion provincial board Fraser river basin, $137,500.

369. Protection works generally, $300,000.

General—

370. Miscellaneous works not otherwise provided for, not more than $10,000 to be expended upon any one work, $440,000.

371. National capital planning service, $52,400.

372. To supplement, on approval of the treasury board except where less than $1,000 is required, any of the appropriations of the Department of Public Works, $400,000.

373. To provide for balances required to complete any projects undertaken in previous fiscal years and for which no specific provision is made in the fiscal year 1952-53, $250,000.

Architectural branch—

741. Ottawa—Maintenance and operation of public buildings and grounds, including repairs and upkeep, rents, furnishings, heating, etc.—further amount required, $645,000.

Acquisition, construction and improvements of public buildings—

Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings listed in the details of the estimates, provided that treasury board may increase or decrease the amount within the vote to be expended on individual listed projects—further amounts required—

742. Nova Scotia, $1.

743. New Brunswick, $1.

744. Quebec, $625,000.

745. Ottawa, $580,000.

746. Ontario (other than Ottawa), $583,000.

747. Manitoba, $260,000.

748. Saskatchewan, $241,000.

749. Alberta, $116,000.

750. British Columbia, $409,000.

Engineering branch—

Dredging—

751. Maintenance and operation of plant and contract and day labour works—further amount required, $121,000.

Graving docks—

752. Maintenance and operation—further amount required, $14,100.

753. Prince Rupert dry dock and shipyard and appurtenant works—To provide for operating losses and essential repairs in the period from January 1, 1952 to March 31, 1952, in accordance with the terms of order in council P.C. 95/6770 of December 15, 1951, $20,000.

Roads and bridges—

754. Maintenance and operation—further amount required, $100,000.

Acquisition, construction and improvements of harbour and river works—

Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works listed in the details of the estimates, provided that treasury board may increase or decrease the amount within the vote to be expended upon individual listed projects—further amounts required—

755. Newfoundland, $235,200.

756. Nova Scotia, $814,000.

757. Prince Edward Island, $12,000.

758. New Brunswick, $190,000.

759. Quebec, $750,000.

760. Ontario, $1,163,600.

761. Manitoba, $84,000.

762. Saskatchewan, Alberta and Northwest Territories, $14,000.

763. British Columbia and Yukon, $1,028,500.

Harbours and rivers generally—

764. Repairs and upkeep for the maintenance of services, including reconstruction and replacements, no new works to be undertaken—further amount required, $200,000.

Generally—

765. Protection works generally—further amount required, $300,000.

General—

766. Miscellaneous works not otherwise provided for, not more than $10,000 to be expended upon any one work—further amount required, $150,000.

767. To provide for balances required to complete any projects undertaken in previous fiscal years and for which no specific provision is made in the fiscal year 1952-53—further amount required, $165,000.

HOUSE OF COMMONS

Friday, June 27, 1952

The house met at eleven o'clock.

HOUSE OF COMMONS

FIRST REPORT OF SPECIAL COMMITTEE ON PROCEDURE

Mr. Speaker: Perhaps the house will permit me to present the first report of the committee which was appointed to consider the procedure of the house. I might say that the committee has come to an agreement on a recommendation to be made to the house with respect to the hours of sitting. The recommendation is that the hours of sitting should be from 2.30 to six o'clock in the afternoon and from eight to ten at night, from Monday to Friday inclusive, with the usual recess on Wednesday nights.

It is also recommended that the hour for private and public bills should be from five to six o'clock on Tuesdays and Fridays. In making these two recommendations it is suggested that the standing orders be changed to that effect. There is a further recommendation, and in this case it is not suggested that the standing order should be changed, that if the debate on the speech from the throne is not concluded after approximately the end of the first week of the session, the house should consider having morning sittings until the debate on the speech from the throne is finished.

I should also say that the committee has not given up hope entirely of reaching agreement on other matters which it has considered, and accordingly the committee recommends that it be reappointed at the next session. Under the circumstances probably it will not be necessary for me to read the report.

Some hon. Members: Dispense.

ANIMAL CONTAGIOUS DISEASES

PRIVILEGE, MR. DIEFENBAKER—REFERENCE TO STATEMENT IN DEBATE

Mr. J. G. Diefenbaker (Lake Centre): In my absence last night the hon. member for Regina City (Mr. McCusker) made the following statement at page 3815 of *Hansard*. After a few general references that indicate his vested interest in his own insignificance, he went on to say this—

Some hon. Members: Oh, oh.

Mr. McCusker: Question of privilege.

Mr. Diefenbaker: He went on to say this—

Mr. McCusker: Question of privilege.

Mr. Diefenbaker: I have the floor.

Mr. Speaker: Will the hon. member state his question of privilege?

Mr. Diefenbaker: In the early days of this—

Mr. McCusker: Mr. Speaker, these remarks are insulting and unparliamentary—

Mr. Speaker: The statement made by the hon. member for Lake Centre with regard to the insignificance of the hon. member is objectionable to him.

Some hon. Members: Withdraw.

Mr. Diefenbaker: I submit that there is nothing—

Some hon. Members: Boo.

Mr. Diefenbaker: I submit there is nothing to withdraw in that connection.

Mr. Gardiner: He can at least get elected in his home constituency.

Mr. Drew: Foot-and-mouth disease is spreading, apparently.

Mr. Speaker: Shall I put it this way: I think the remark was not complimentary and I think the hon. member should withdraw.

Mr. Diefenbaker: Mr. Speaker, I should not have prefaced my statement with that remark.

Mr. Speaker: Then the hon. member should go further and withdraw.

Mr. Diefenbaker: Mr. Speaker, I always uphold your rulings—

Some hon. Members: Just withdraw.

Mr. Speaker: Do I understand the hon. member has withdrawn?

Mr. Diefenbaker: I should substitute—

Mr. Speaker: Order. I could not hear but I take it that the hon. member has withdrawn.

Mr. Diefenbaker: How many times do I have to say so?—I would like to know. If my hon. friends make so much noise that Your Honour cannot hear—

An hon. Member: You did not withdraw.

Mr. Drew: Mr. Speaker—

Some hon. Members: Oh, oh.

Mr. Speaker: I am in agreement with the hon. member for Lake Centre in that I could not hear. Whether the remark was withdrawn I do not know because there was so much noise in the chamber, but I understand him to say that he has withdrawn the remark.

Mr. Diefenbaker: I am going to be asking for withdrawal in a moment, Mr. Speaker. In my absence—and I trust that my hon. friend for Regina City will not think that is unparliamentary—he made this statement:

> In the early days of this session there was an agreement that in order that they could remunerate the men whose cattle had suffered from this disease, a bill would be put through in short order. The first one who reneged on that agreement was the hon. Mr. Diefenbaker, and he was followed by the hon. Mr. Coldwell—

Mr. Speaker, I ask for the withdrawal of that statement. There was never any agreement directly or indirectly brought to my knowledge, known by me at any time, and I am asking for a withdrawal of that statement.

Mr. Speaker: The hon. member for Regina City must accept the statement.

Mr. Green: And withdraw.

Mr. McCusker: Mr. Speaker, the answer to the statement I made last night is that had I had *Hansard* I would have read it. It is in effect what was said on page 32 of the proceedings on Monday, March 3. I would ask my friend to get that and read it, and if he still feels—

Some hon. Members: Withdraw.

Mr. Speaker: The hon. member for Regina City must accept the statement of the hon. member for Lake Centre in connection with a matter which is peculiarly within his own knowledge.

Mr. McCusker: I will accept your ruling.

Mr. Gardiner: Might I say a word?

Some hon. Members: Withdraw.

Mr. Gardiner: There is part of it that should be withdrawn and I intend to point that out.

Mr. Fleming: Let it be withdrawn.

Mr. Gardiner: The actual arrangement which was entered into is contained in *Hansard* of Monday, the 3rd of March, and the only part incorrectly stated by the member for Regina City is that he included the member for Rosetown-Biggar. The member for Rosetown-Biggar did carry out—

An hon. Member: That was not the only mistake.

[Mr. Diefenbaker.]

Mr. Gardiner: The member for Rosetown-Biggar did carry out the undertaking.

Mr. Drew: Now that we have entered a new field I want to say most emphatically that no undertaking that was given on behalf of this party was broken. The only undertakings that have been broken have been broken by the minister himself.

Some hon. Members: Hear, hear.

Mr. Drew: If he proposes to introduce this subject now I ask him to state emphatically what the undertaking was that he claims was made and what breach occurred—because I say most emphatically that there was no breach.

An hon. Member: What about family allowances in Quebec?

Mr. Coldwell: Mr. Speaker, may I tell the Minister of Agriculture that on no occasion did I ever seek to delay or to do any other thing—

Mr. Gardiner: That is what I said.

Mr. Coldwell: The member for Regina City is going on his imagination and putting his interpretation on what was done. That is quite unwarranted and quite unfair. I did not intend to say anything further about the foot-and-mouth disease business but if the minister wants me to give my opinion of it I will.

Some hon. Members: Hear, hear.

Mr. Gardiner: Apparently the hon. member for Rosetown-Biggar does not understand what I said a few minutes ago. I stated that the suggestion made by the hon. member for Regina City last night, to the effect that the member for Rosetown-Biggar had not lived up to the undertaking that he had given, was incorrect.

Mr. Coldwell: The minister had his face turned the other way, and amid the noise I am sorry I did not just catch what he said.

Mr. Gardiner: I said it was incorrect. I think in fairness to everybody, I should read again what was said.

Mr. Diefenbaker: Mr. Speaker, I rise on a question of privilege.

Some hon. Members: Sit down.

Mr. Gardiner: I am speaking on a question of privilege, Mr. Speaker.

Mr. Speaker: I can hardly hear two questions of privilege at the same time. I do not know how far the house desires to proceed with this matter at the present time. If the house wishes to go further in consideration of this matter, I shall hear it.

Mr. Gardiner: It is not necessary to give further consideration now. We can deal with it in the appropriate place when we get back into committee.

Mr. Diefenbaker: Mr. Speaker, I am asking for withdrawal. I had no knowledge of any agreement, and I make the statement that there was no agreement that directly or indirectly concerned me. I am asking that you apply the rules and have the member for Regina City (Mr. McCusker) withdraw now.

Mr. Abbott: He withdrew five minutes ago.

Mr. Gardiner: Now, Mr. Speaker, on a question of privilege—

Some hon. Members: Sit down.

Mr. Speaker: Order. There seems to be a difference of opinion in the house—

Some hon. Members: Oh, oh.

Mr. Speaker: —as to whether there was or was not an agreement. The Minister of Agriculture (Mr. Gardiner) states that there was an agreement. The member for Lake Centre (Mr. Diefenbaker) and the leader of the opposition state that there was no such agreement. Last night the member for Regina City did make a statement. I shall not repeat what was said, but he applied his remarks particularly to the hon. member for Lake Centre. The hon. member for Lake Centre says that no such agreement was brought to his attention. Whether or not there was an agreement I am at a loss to determine. There must always be two parties to an agreement. I think under the circumstances the hon. member for Regina City should at this time accept the word of the hon. member for Lake Centre.

Mr. Abbott: He did.

Mr. McCusker: Mr. Speaker, I have already said that I accepted that. While I am on my feet, I want to apologize to the hon. member for Rosetown-Biggar (Mr. Coldwell), if I wrongly included him in my remarks.

Mr. Coldwell: I regret that, owing to the noise in the house, I did not hear the Minister of Agriculture.

Mr. Drew: On a question of privilege, Mr. Speaker. It will be just as well if this matter is disposed of correctly. The hon. member for Regina City was insistent that the member for Lake Centre withdraw in formal terms. When I was sitting next to him, I heard him say that he did, but there was so much noise that Your Honour probably could not hear that. The hon. member for Lake Centre is asking for withdrawal in regard to a statement you have said should be withdrawn, and the hon. member for Regina City has simply said he accepts the statement of the member for Lake Centre. I submit that he must say "I withdraw", and that the matter should be disposed of in that way.

Mr. Speaker: I think that it is entirely a question of accepting the statement. I do not think it is customary to ask the member to withdraw as that follows automatically. However, there seems to be a difference of opinion as to whether or not there was an agreement. It may turn out, according to some hon. members, that there was an agreement. The hon. member for Regina City has stated that if he has said what was incorrect, at least I understood him to say so, he apologized.

Mr. McCusker: If what I said was incorrect, but I do not admit it was.

Mr. Speaker: Am I correct in saying that the hon. member for Regina City accepts the statement of the hon. member for Lake Centre?

Mr. McCusker: I said that.

Mr. Speaker: Is there anything more needed?

REDISTRIBUTION

READJUSTMENT OF REPRESENTATION IN THE HOUSE OF COMMONS

Hon. W. E. Harris (Minister of Citizenship and Immigration) moved for leave to introduce Bill No. 393, to readjust the representation in the House of Commons.

Motion agreed to and bill read the first time.

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

Mr. Fournier (Hull): Last night before adjournment of the house I did suggest that, if the house were in the proper mood, today we would ask leave to have unanimous consent to have the second reading of this bill. Since the house opened this morning, I have not been able to judge if it is in the proper mood. I would suggest that later today we take it up.

Mr. Drew: In view of the noise, I was not able to hear exactly what was said at the beginning of the minister's remarks. Did he suggest taking up the first reading later this day?

Mr. Fournier (Hull): We have had that.

Mr. Drew: What did he suggest?

Mr. Fournier (Hull): We would need unanimous consent to move the second reading of this bill. I do not think this is the right time to come to an agreement so I would

suggest we pass the two other bills on the order paper which were announced last night. After that, I would ask the members of the house to see if they could give us unanimous consent to the second reading of this bill because it will be sent back to the committee immediately. The bill does not contain the schedules, and I think we have all agreed on what is contained in this bill—at least, that is my impression.

Some hon. Members: Oh, no.

[*Later:*]

Mr. Speaker: I must dispose of this bill entitled "An act to readjust the representation in the House of Commons." Is it agreed that the bill might be read a second time later this day?

Mr. Drew: No, Mr. Speaker. Since the proposal has been made I think perhaps this would be a good time to make a suggestion which I hope will greatly facilitate the business of this house which, perhaps, has not proceeded with its customary speed so far this morning. Since this suggestion is now before the house and since there is another resolution which indicates the possibility that it is not intended that this session end by way of prorogation, I am suggesting that the government consider introducing another bill which would set up a commission to carry out redistribution which then could be dealt with when this house reconvenes. I put that suggestion forward in all seriousness because I can assure you, Mr. Speaker, that it would not be possible to consider second reading today of a bill dealing with boundaries that are not even yet before members of this house at this time in today's proceedings.

Mr. Harris (Grey-Bruce): Mr. Speaker, may I just point out, in answer to the leader of the opposition (Mr. Drew), that the bill that we are now discussing has nothing to do with boundaries. This was explained in detail to the committee on this matter the day before yesterday. Without wanting in any way to ruffle the good temper of the house at the moment, I should say that I understood that I had the authority or the consent of all members of that committee to introduce the bill at that time. The bill will go from this house to the special committee, there to be amended in accordance with whatever decisions are reached by the special committee. With respect, may I say that I do not think there is anything contentious in the bill as it stands at the moment.

Mr. Speaker: Is it agreed that the bill may be read a second time later this day?

[Mr. Fournier (Hull).]

Mr. Drew: I do not understand the wording "may be read a second time",—

Mr. Harris (Grey-Bruce): May be called for second reading.

Mr. Drew: —because that could be interpreted as acceptance of second reading of the bill,—

Some hon. Members: No.

Mr. Drew: —which I assure you is not the case, Mr. Speaker.

Mr. Knowles: May I say a word on this matter? In doing so I confess that I will repeat what I said the other day when this question was under consideration, but perhaps it should be said again now. It was understood in the special committee on redistribution a few days ago that this bill would be introduced so that, after second reading, it could be referred to the committee which is considering a schedule. That consent for the introduction of the bill had two conditions attached to it. One was that the schedule would not be part of the bill. The other was that consent to the introduction of the bill would not prejudice our right to debate the bill on second reading.

As I understand it, all that is being asked for now is that it be agreed that later this day a motion for second reading would be made, on the distinct understanding that we are within our rights to debate that motion, if we so choose at that time. I think that was the unanimous understanding in the special committee on redistribution.

Mr. Speaker: Is it agreed then that the bill be read a second time later this day?

Some hon. Members: Agreed.

Mr. St. Laurent: May be called for second reading later this day.

Mr. Knowles: That is right.

Mr. Drew: Mr. Speaker, I am not prepared to extend consent at this time with regard to the question of second reading. I think the minister who raised this subject perhaps made a wise suggestion, namely that we give appropriate consideration to the subject at some later time this day because it must be by consent in any event.

Mr. Mutch: That is all we are asking for.

Mr. Abbott: That is all that is being asked for here.

Mr. Speaker: If the motion is that the bill should be read the second time at the next sitting of the house, I suppose it could be read a second time, by unanimous consent, at the present sitting.

Mr. Abbott: That is right.

Mr. Speaker: I think all hon. members would like to leave the matter so that if it is agreeable to have the bill read a second time this day, it could be done.

Mr. Drew: Mr. Speaker, I think I should explain what I have in mind. The committees are still meeting in connection with certain details associated with this bill. What is done on second reading will, of necessity, perhaps be governed to some extent by the discussions in that committee. I do not think that this is an appropriate time to ask the house to decide whether, by unanimous consent, this bill should or should not be proceeded with for second reading. I do not intend further to press the other suggestion I have made, but I put it forward in all seriousness in the hope that we might expedite the proceedings generally.

Mr. Speaker: Under the circumstances the order will be for second reading at the next sitting.

Mr. Fournier (Hull): The right procedure should be "at the next sitting". I suggest that later this day we might meet members of the opposition and see whether we can come to some understanding. I would not want this decision to be absolutely final, because we are always open to conviction when good reasons are brought forward.

Mr. Murphy: Except on redistribution.

Mr. Speaker: If there are no other suggestions from hon. members I will have to say that the order is for second reading at the—

Mr. Abbott: Next sitting of the house.

Mr. Speaker: Next sitting of the house.

MOTION FOR WITHDRAWAL OF BILL NO. 8

Right Hon. L. S. St. Laurent (Prime Minister): In view of the fact that the house has before it this bill which has now been introduced, and which has been ordered for second reading, I would ask leave to revert to motions and move that Bill No. 8 which is on the order paper, be withdrawn.

Mr. Speaker: Has the hon. member leave to withdraw the bill?

Some hon. Members: Agreed.

Motion agreed to and bill withdrawn.

BUSINESS OF THE HOUSE

ADJOURNMENT UNTIL NOVEMBER 20, 1952, ON COMPLETION OF CURRENT BUSINESS

Right Hon. L. S. St. Laurent (Prime Minister) moved:

That when this house adjourns on completion of its current business after returning from attending on the giving of Royal Assent in the Senate to the bills which will have been passed, this house stand adjourned until 20th November, 1952, at eleven o'clock in the forenoon, provided always that if it appears to the satisfaction of Mr. Speaker, after consultation with Her Majesty's government, that the public interest requires that the house should meet at an earlier time during the adjournment, Mr. Speaker may give notice that he is so satisfied, and thereupon the house shall meet at the time stated in such notice, and shall transact its business as if it had been duly adjourned to that time.

He said: Mr. Speaker, the reasons for this motion I think will be obvious to all hon. members. The international situation has not worsened but it has reached a stage where it is possible that momentous decisions might have to be taken at an early date or when there might be important developments with regard to which it would be convenient to have parliament available. I do not foresee that such a situation is apt to arise but it is a possibility at this time, and I think it would be prudent to have parliament in being so that it could be called by Your Honour if it should happen that there are important developments which require immediate consideration by parliament.

I should not like the public to get the impression, from the fact that there is to be an adjournment, that members of parliament consider the situation to be graver than it really is. I think the public will understand that there have been some important developments in quite recent days and that there might be other important developments of such a character as to warrant their early consideration by parliament. In that event it would be convenient to have the situation such that Your Honour could give the proper notice and have parliament assembled.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, I must confess some measure of surprise at the explanation which has been given. I had not previously heard any explanation for this motion that is now before us. It has not been discussed with me nor has there been any intimation of any reason for an adjournment of parliament rather than the customary prorogation. The Prime Minister places the reason for an adjournment of this kind entirely upon the international situation. I am not aware of any events that have occurred within recent days or weeks which suggest any change in the international situation which would indicate any reason for this house to be continuing its session. I have indicated, as have other members of this party, our objection to these adjourned sessions and second sessions in the same year instead of prorogation in the ordinary way.

I would add another reason why I do not see any necessity for this motion. The house can be brought together no more quickly when it is adjourned under a motion of this

kind than it could be brought together if it were prorogued and then called together in a special session. If there is in fact no definite purpose in adjourning this house until November 20, then we should prorogue in the ordinary way. If there is some reason other than that indicated, then that reason should be given to us. There may be other reasons which would suggest the desirability of an adjournment instead of prorogation. I submit, however, that at any time when the world situation suggested the desirability of bringing this house together, the time within which the house could be called together would be precisely the same, whether we adjourn or prorogue.

If we have prorogued, then it is only a question of ascertaining the length of time within which hon. members, with the means of communication available to them, can come here to Ottawa. I had expected that some other explanation would be given than that which has been placed before us. The Prime Minister has been careful to say that he would not wish the public to take any alarm from the fact that he is making the suggestion that the world situation calls for an adjournment rather than a prorogation. But, Mr. Speaker, when that is the only explanation before us it is difficult to escape the suggestion that there is an intention to keep alive a sense of continuing emergency which would support the government's very clearly expressed desire to act in a great many cases under emergency legislation when they could do it very much better through legislation adopted by this house.

Either some more positive reason not yet disclosed to us should be given to us, or I submit we should prorogue in the ordinary way. The practice that has developed of adjournments for indefinite periods to indefinite dates is not a practice which we should continue at this time without something more definite than has been placed before us.

Mr. M. J. Coldwell (Rosetown-Biggar): I am going to support the motion of the Prime Minister, because I believe that it is a wise provision for the house to make at this time. During the war years, and in times of emergency it has been customary to adjourn rather than prorogue. And while I agree with the Prime Minister that the public should not take any undue alarm at this time regarding the international situation, the recent unilateral decision of the United States to bomb the power plants on the Yalu river has I think in the minds of everyone made it obvious that there is a grave possibility in regard to it. And then of course we have the difficulties in Europe and particularly what has happened in connection with the Swedish planes quite recently. I think under the circumstances it is a wise provision.

Moreover, it meets the objection that has been raised from time to time by hon. members of this house, the leader of the opposition, and indeed myself last year, that the calling of special sessions twice in a year means the payment of an additional indemnity. This avoids that completely. If it is necessary to call the house together, we are called together as an adjourned house. The other reason that I have in mind for supporting this is that after all in an emergency we want to meet and do business quickly. If we prorogue, then a new session is called. There are certain formalities, the official opening of the house, the debate on the speech from the throne, and so on. In my opinion, in the present circumstances, the motion to adjourn rather than to prorogue is the proper one to make at this time, and I am supporting it.

Mr. Solon E. Low (Peace River): I personally would much have preferred to see prorogation, but enough has been said in the debate to convince me that I should support the Prime Minister's resolution. I think the Prime Minister must have had in his mind just the things that the hon. member for Rosetown-Biggar has mentioned and in the circumstances I cannot feel that it is wise to do anything else than what is provided for in the resolution.

Mr. Donald M. Fleming (Eglinton): The leader of the opposition, in my submission, has effectively answered the point raised by the Prime Minister. But it seems to me there is one further point which calls for a clear expression on the part of the Prime Minister.

This motion proposes that the house stand adjourned until November 20 next, unless called to meet earlier under the circumstances indicated. How did this date in November come to be chosen? Is it not very much preferable, even if there has to be an adjournment instead of prorogation, that adjournment should be to a date in January reasonably approaching the normal meeting time of parliament?

I think the Prime Minister must be aware, after the experience that the present parliament has had with fall sessions in 1949, 1950 and 1951, of the effect that these additional sessions, or being summoned to Ottawa in the fall, have had on a great many members. It means a very disturbing effect on most, both in their callings and in their family life, and it means additional expense for the country. I can understand the

Prime Minister having said what he did say with reference to a motion that would propose that the house stand adjourned until some day in January, but why should the date to be selected be in November, which means bringing members down here presumably and then sending them home for the Christmas recess, only to bring them back in January? I am sure the Prime Minister is not unmindful of the effect that this has on all members of the house in all parties, and in fairness to the private members I would urge that this matter should have more consideration than is possible at the moment, and that the Prime Minister be asked to give very serious consideration to advancing this date from November till January. That will not subtract anything from the right of the Speaker, in consultation with the government, to call the house together at any time if emergent conditions warrant it, but I think it would be a useful contribution towards some attempt at restoration of normalcy in connection with the commencement of sessions of parliament.

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker,—

Mr. Speaker: If the Prime Minister speaks now he will close the debate.

Mr. St. Laurent: I wish to assure the leader of the opposition that if it had been possible for me to see him when this question arose I would have been very happy to do so and to discuss it with him; but it so happened that the hon. gentleman had engagements elsewhere, which made it impossible for me to see him during the last two or three days.

Mr. Drew: Mr. Speaker—

Mr. St. Laurent: There was no discourtesy intended.

Mr. Drew: Mr. Speaker, I know perfectly well that the Prime Minister has no thought of misinterpreting the situation, but I would explain to him that I was in the house here yesterday very shortly after three, and I was in the building during that time. I was away for the previous day, that was all. I only want to place that on record.

Mr. St. Laurent: I am sorry. I did not know the hon. member was here yesterday afternoon. I wish to assure him that no discourtesy was intended when the question arose. I can also assure the hon. member for Eglinton that the considerations he has mentioned were carefully gone over, and the reason this date was selected was that it was felt it would be proper to open a new session on November 20, and have the address on the speech from the throne and the preliminaries completed so that immediately after the New Year the regular course of the normal business of the house could be proceeded with in an attempt to have parliament prorogue by the end of April or early in May because of the fact that many members of parliament will be making plans to attend the coronation of our sovereign on June 2. It was felt that it would be of some value to have an experiment made of that kind of arrangement; because I am sure that if it were possible to handle efficiently the business of parliament in such a way as to adjourn early in the summer season, that would be a great convenience to most members of parliament.

Some hon. Members: Hear, hear.

Mr. St. Laurent: I would not have ventured to make that suggestion under ordinary normal conditions. But I did feel that in view of the fact that the coronation is set for June 2, 1953, it would be understood that that was a special reason for having this schedule in mind, and that the experience of hon. members with that schedule might bring about something of the order of what His Honour the Speaker was able to announce to us with respect to the hours of sitting, and would make for greater convenience for a greater number of members of parliament.

I hope that in future it will not be necessary to have two sessions of parliament in any one year, but that the public business might be so arranged and so dealt with as to make it not inconvenient to allow those hon. members who are agriculturists to give some attention in the spring to work which is of interest not only to them but also to the nation—the work of getting the agricultural industry into proper operating condition. I know that they are disposed to sacrifice their own personal interests to serve those of the Canadian people, by whom they have been elected to the house. But if the business of the house can be arranged in such a way as to coincide with the prosecution of their professional occupation of producing for the rest of us what we require for our subsistence, then I think that would be a desirable solution.

Then, the hon. member has inquired if there are other reasons. There are no other reasons; but there have been indications of the possibility of important developments which may not take place, but which are possible. The Korean war has been going on for two years, and negotiations for an armistice have been going on for one year. Recently there have been quite substantial changes in the attitude of those who are engaged in the negotiations. If they are brought to a successful conclusion and result in an armistice, then I think all of us will be very happy at that result. But if they

do not—and they do not look as though they are going to go on much longer with no tangible results—that might bring about an activation in other forms, and might require to be dealt with by parliament.

I trust everything can be arranged in such a manner that it will not be improper for the government to take whatever responsibility may have to be taken. But the government is considerate of the rights of parliament, and recognizes that to have the support of the public generally there must be a feeling in the public that it is not only a few men here in Ottawa who are making these important decisions. For that reason we felt that it would be desirable, as it was felt desirable during the war and at times since the war, to keep parliament in existence, and not to have to resort to special, additional sessions.

It is for that reason the motion was suggested. It was so suggested because of the feeling that it might then be possible satisfactorily to dispose of public business and have parliament adjourn or prorogue in May, so that those members of parliament who will be attending the coronation need not feel that they are neglecting the work which should be done here at home.

Mr. Drew: Mr. Speaker, I would point out that the Prime Minister (Mr. St. Laurent) has given another explanation when he makes reference to the coronation. I think I ought to place on record, in view of what I have already said, that I have objected strenuously to second sessions. What the Prime Minister has now said is that it would be the expectation of the government to begin a new session immediately after the period of adjournment, and then to proceed with that session, except over the Christmas and New Year season, for the purpose of earlier prorogation next year.

Mr. St. Laurent: Yes.

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

Mr. Fleming: On division.

Motion agreed to.

EXTERNAL AFFAIRS

GRANTING OF VISAS TO VITALIS PANTENBURG AND WIFE

On the orders of the day:

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, the hon. member for Nanaimo (Mr. Pearkes) yesterday asked the following question of the Secretary of State for External Affairs (Mr. Pearson):

I should like to direct a question to the Secretary of State for External Affairs. Have the German scientist, Vitalis Pantenburg, and his Russian-born wife been granted a visa to enter Canada and to travel through Labrador, the Northwest Territories and the Yukon?

The Secretary of State for External Affairs has asked me to answer by stating that Vitalis Pantenburg and his wife were granted courtesy visas for entry to Canada by the Canadian embassy in Bonn, Germany, following their recommendation by the German foreign office.

These visas facilitate entry into Canada but do not, of course, in themselves authorize travel to areas which may be restricted.

Canadian representatives abroad are anxious where possible to facilitate the admission to this country of foreign publicists of recognized standing in their own country who will interpret Canada to their fellow countrymen and help spread knowledge and understanding of this country among them.

UNEMPLOYMENT INSURANCE

INSURANCE BOOKS FOR STUDENTS

On the orders of the day:

Mr. Paul E. Cote (Parliamentary Assistant to the Minister of Labour): Mr. Speaker, yesterday the hon. member for Victoria, Ont. (Mr. Hodgson) asked the Minister of Labour (Mr. Gregg) whether it is compulsory for students to have unemployment insurance books, and if not, what is the procedure?

The answer is that a full-time enrolled student of a day school, college or university is not insurable while he is employed (a) in temporary employment during the period from December 13 to December 31, both dates inclusive, in any year; (b) part-time employment not exceeding 24 hours a week in the aggregate.

A student, therefore, who works after school hours or on Saturdays, so that the total number of hours worked does not exceed 24 in a week, as a general rule is not insurable. Such student is insurable if he takes full-time employment—for example during summer vacation. However if his only employment then is in a seasonal industry, for example a summer hotel, he may apply for a voluntary exemption.

OLD AGE PENSIONS ACT

QUESTION AS TO REPEAL—REFERENCE TO STATEMENT OF MINISTER OF PUBLIC WELFARE OF ONTARIO

On the orders of the day:

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, I should like to ask a question of the Minister of National Health and Welfare. I directed a question to him on

Tuesday to which he responded that the government had made proposals to the provinces with regard to the repeal of the Old Age Pensions Act in view of the adoption of the new act. In his reply he stated that the government had made certain proposals with regard to the repeal of that act but that only two provinces had indicated their support of the proposals. Since that time there has been a statement by the minister of public welfare of Ontario as to the desire of that province to have the act repealed because of its effect on collection from the estates of pensioners. I would ask the Minister of National Health and Welfare if he has any supplementary statement to make because the statement of the minister of public welfare of Ontario is one which not only affects Ontario but affects the general statement made by the minister as to the proposals put before the provincial governments.

Hon. Paul Martin (Minister of National Health and Welfare): I can very well understand my hon. friend's desire to ask a second question in view of the statement made by the minister of public welfare for the province of Ontario which appears in the *Globe and Mail* of the day before yesterday. I can only say that what I said the other day does represent the situation as it is. On June 12 as a matter of fact our department communicated with the department of public welfare for the province of Ontario. In that letter it was pointed out that section 13 of the Old Age Security Act provides that the Old Age Pensions Act is repealed on a day to be fixed by proclamation of the governor in council.

The letter went on to say—and I am now giving its substance—that the Department of National Health and Welfare would appreciate it if the department of public welfare for the province of Ontario would let us know as soon as possible whether or not they have dealt with all outstanding cases under the Old Age Pensions Act. The letter concludes by saying that we would appreciate being advised whether or not the province of Ontario would be in favour of having the Old Age Pensions Act repealed within the next several weeks. No reply has been received in answer to that communication.

Mr. Drew: Mr. Speaker—

Mr. Martin: May I say one thing further in fairness to the minister of public welfare for the province of Ontario? He is quoted as having said that he told me in a conversation some time ago that he would like to have the act repealed. It is true that he did telephone me. I think that was in March. Since that time, as this is an act that depends for its operation on the provinces, who have to pay 25 per cent of the cost, we had no alternative under the law but to communicate with the provinces. We did communicate with the province of Ontario on June 12 and we have had no reply to date.

Mr. Drew: I was interested in the wording employed by the Minister of National Health and Welfare. He said "I asked" and then corrected it. Did the minister himself write the letter to the minister in Ontario? If not, from whom was the comunication directed and to whom?

Mr. Martin: The letter was written by the director of old age assistance for the Department of National Health and Welfare to his opposite number in the province of Ontario.

Mr. Drew: I take it this subject has not been opened between the Minister of National Health and Welfare and the minister of public welfare of Ontario.

Mr. Martin: As my hon. friend knows, the old age pensions board is made up of the senior officials who have to do with the administration of this matter, and it is the custom for communications of this kind to go between these persons. All I can say is that we have had no reply. It may be that my hon. friend's question and my reply will have the effect of bringing about what the federal government would like to see brought about.

Mr. Drew: I do not want to extend this discussion but there is an important consideration in connection with this matter that I think should be made clear. If it is intended to have the acceptance of provincial governments to proposals made by the dominion government, then it would seem to me that communications should go from the minister to the ministers of the governments in the provinces concerned.

Some hon. Members: Order.

Mr. Drew: I simply close with this question. Do I take it from what the minister has said that no communication has gone from the Minister of National Health and Welfare to the governments of the provinces with regard to this subject?

Mr. Martin: I would not want to say that no communication has gone from me in the matter. I generally try to cover everything myself, and I would not want to say that in this instance I had not written to the provincial ministers concerned at some date earlier in the present year. I do not know, but I will check.

MEMBERS OF PARLIAMENT

PROVISION FOR RETIRING ALLOWANCES

Right Hon. L. S. St. Laurent (Prime Minister) moved the third reading of Bill No. 392, to provide retiring allowances, on a contributory basis, for persons who have served as members of the House of Commons of Canada.

He said: Mr. Speaker, in view of the resolution adopted by the house that when the current business is completed the house shall stand adjourned to the 20th of November, it is evident that this bill, if passed here and in the other place, will receive the royal assent before prorogation of this session. That being so, I have considered the terms of the section which provides for compulsory contributions, and it might be quite embarrassing to determine in a broken period just how the terms providing for compulsory contribution would apply. Would they apply only to the portion of the indemnity proportionate to the period that elapsed after assent to the bill or would they apply to the indemnity for the whole session, although portions of that indemnity have been so far paid in full at a per diem amount according to the statute?

The bill also provides that present members of parliament can elect to include any session during which they were in parliament before the coming into force of the act as the subject of their contribution to their special part of this fund. Therefore I felt it might be desirable at this time to have a clause added to the bill to the effect that it will come into force on the first day of the next ensuing session of parliament. I should like to have the house consider whether they would not want that done instead of having uncertainty as to what the contribution would be for the broken part of this session. Anyone who wanted to have the whole of his indemnity for this session included could exercise his option to do so, and I would therefore ask my colleague who usually leads the house to move:

That the bill be not now read a third time but that it be referred back to the committee of the whole with instructions that they have power to amend the same by adding thereto the following section:

"19. This act shall come into force on the date of the opening of the session of parliament next ensuing after the date of the royal assent thereto."

Mr. Fournier (Hull): I so move.

Amendment agreed to and the house went into committee, Mr. Beaudoin in the chair.

The Chairman: The amendment which has been referred to the committee is to add a section 19 to the bill reading as follows:

19. This act shall come into force on the date of the opening of the session of parliament next ensuing after the date of the royal assent thereto.

[Mr. Martin.]

Mr. Browne (St. John's West): Before the amendment carries, may I be permitted to ask the Prime Minister if any consideration has been given to the point raised by the hon. member for Grand Falls-White Bay about the participation of former members of parliament in Newfoundland, former members of the commission of government of Newfoundland, in this scheme? As this is a new scheme the finances for which will come from present current taxation to which Newfoundland contributes as much as any other part of Canada, it seems to me only fair and just that some consideration should be given.

Mr. St. Laurent: Mr. Chairman, consideration was given to the suggestion; and there have been other suggestions as well that have come from other interests that would be affected. It was felt that in view of the procedure that had been followed the government would have the bill as reported by the banking and commerce committee placed before the house for adoption. The bill provides that every year the Minister of Finance must make a report on its operations and I think it will probably be the practice to have that report referred to the committee on banking and commerce. It was felt at this time that the government would not recommend going beyond what had been recommended by the committee and that all these matters, including the suggestion about members of the former parliament of Newfoundland, are matters that can come before the banking and commerce committee and about which subsequent reports may be made.

Bill reported.

Mr. St. Laurent moved the third reading of the bill.

Mr. E. G. Hansell (Macleod): Before the bill passes I would like to say a word of appreciation to the committee of men, perhaps more or less self-appointed, who went into a good deal of study in respect of this measure over the past year or perhaps two years. The impression abroad may be that this measure has been hurriedly passed by this house.

I recall that about a year ago, perhaps a little more than a year ago now, I received a letter. I am trusting to my memory but I believe it was from the hon. member for Dorchester (Mr. Tremblay). It stated that some members of parliament who had been interested in a pension scheme were desirous of studying the actuarial soundness of any possible proposals, together with the historical situation as it might apply to past members. The letter called for some information as to the whereabouts and the status of my predecessors who had represented Macleod

riding in years past. I mention this because that letter came to me over a year ago. I do not know that I know all these men, and I cannot mention them all by name, but I do wish to say that the hon. member for Bonaventure (Mr. Arsenault) seems to have been very active in this matter.

Some hon. Members: Hear, hear.

Mr. Hansell: He can pass these words along to his colleagues. Some of us have sat down and thought: Well, this measure is being proceeded with; somebody else is looking after it—but we reap the benefits of a lot of hard work well done.

I do wish to express at this moment what I believe is the sentiment of all members of this house—thanks to those men who have been interested enough to put a lot of work and time into this measure in laying the foundation for it so that government officials, actuaries and so forth, could build upon that foundation and bring forward a measure which is apparently acceptable.

I wanted to say those few words of appreciation.

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

Some hon. Members: On division.

Mr. Sinnott: Don't duck this time, Lake Centre.

The house divided on the motion (Mr. St. Laurent) which was agreed to on the following division:

YEAS

Messrs:

Abbott
Adamson
Anderson
Applewhaite
Arsenault
Ashbourne
Balcer
Balcom
Bater
Beaudoin
Bennett
Bertrand
Beyerstein
Black (Chateauguay-Huntingdon-Laprairie)
Black (Cumberland)
Blackmore
Blanchette
Blue
Boisvert
Boivin
Bonnier
Bourget
Bradette
Breton
Brisson
Brooks
Brown (Essex West)
Bruneau
Byrne
Cameron
Campney
Cardiff
Carter
Casselman
Catherwood
Charlton
Chevrier
Cloutier
Coldwell
Corry
Cote (St. Jean-Iberville-Napierville)
Cote (Verdun-La Salle)
Coyle
Crestohl
Croll
Cruickshank
Darroch
Decore
Deslieres
Dewar
Dickey
Dinsdale
Drew
Dumas
Dupuis
Eyre
Fair
Fairclough, Mrs.
Ferguson
Ferrie
Fleming
Fournier (Hull)
Fraser
Fulford
Gardiner
Garland
Garson
Gauthier (Lake St. John)
Gauthier (Portneuf)
Gillis
Gingras
Gour (Russell)
Gourd (Chapleau)
Hansell
Harkness
Harris (Grey-Bruce)
Harrison
Healy
Hees
Hellyer
Helme
Henderson
Henry
Hetland
Hodgson
Howe
James
Johnston
Jones
Jutras
Kirk (Antigonish-Guysborough)
Kirk (Digby-Yarmouth)
Knight
Knowles
Lafontaine
Laing
Langlois (Berthier-Maskinonge)
Langlois (Gaspe)
Lapointe
Larson
Leduc
Lefrançois
Leger
Lennard
Low
Macdonald (Edmonton East)
Macdonnell (Greenwood)
MacLean (Cape Breton North and Victoria)
MacNaught
Macnaughton
McCann
McCubbin
McCulloch
McCusker
McDonald (Parry Sound-Muskoka)
McIlraith
McIvor
McLean (Huron-Perth)
McLure
McWilliam
Major
Martin
Masse
Mayhew
Monette
Montgomery
Mott
Murphy
Murray (Cariboo)
Murray (Oxford)
Mutch
Nadon
Nowlan
Proudfoot
Quelch
Ratelle
Richard (St. Maurice-Lafleche)
Riley
Roberge
Robertson
Robichaud
Robinson
Rooney
Ross (Souris)
Rousseau
Rowe
St. Laurent
Shaw
Sinclair
Sinnott
Smith (Moose Mountain)
Spence
Starr
Stewart (Winnipeg North)
Stick
Thomas
Tremblay
Tustin
Valois
Viau
Ward
Warren
Weir
Welbourn
White (Hastings-Peterborough)
White (Middlesex East)
Whiteside
Whitman
Winkler
Winters
Wood
Wright—172.

NAYS

Messrs:

Churchill
Fulton
Green—3.

Bill read the third time and passed.

EASTERN ROCKY MOUNTAIN FOREST CONSERVATION ACT

AMENDMENT OF ACT

Hon. Robert H. Winters (Minister of Resources and Development) moved the second reading of Bill No. 391, to amend the Eastern Rocky Mountain Forest Conservation Act.

Forest Conservation

Mr. Adamson: Is the minister going to make a statement?

Mr. Winters: Mr. Speaker, many hon. members will recall that parliament in 1947 passed the Eastern Rocky Mountain Forest Conservation Act. This act approved and ratified an agreement entered into between the government of Canada and the government of the province of Alberta for the conservation of the forests on the eastern slope of the Rocky mountains. The area covers the head waters of the North and South Saskatchewan rivers and comprises 5½ million acres, or 8,618·74 square miles. For purposes of comparison, the area of Prince Edward Island is 2,184 square miles and the area of Nova Scotia is 21,068 square miles.

The federal government's interest stemmed largely from the fact that the rivers rising in this area flow across all three western provinces and contribute in important measure to the life of western Canada and thus of the nation before they empty into Hudson bay.

This is the largest single forest conservation project in Canada and one of the largest on this continent. By protecting and conserving the forest cover in this area the two governments are providing a measure of automatic control over the flow of the rivers and streams. They are achieving soil conservation, fish and game conservation, and are ensuring sustained yield from valuable forests which are returning increasing revenues with each succeeding year.

The agreement commenced on April 1, 1948, and will continue for a term of 25 years from that date. It provides for the setting up of a board of three members, two being appointed by the federal government and one by the provincial government. The present members of the board are: Major General Howard Kennedy, chairman; G. Tunstell, Department of Resources and Development; and H. G. Jensen, province of Alberta.

The purpose and function of the board are to plan, advise, direct, and supervise the construction, operation, and maintenance of all projects and other facilities necessary for the proper protection of the forests in the area. The agreement provides for a six-year program of capital expenditures by the federal government, amounting to $6,300,000, and a maintenance program shared by the two governments, to cost not less than $250,000 and not more than $300,000 annually.

The provincial government, under the terms of the agreement, shares in the cost of the yearly maintenance program, and pays the salary and expenses of its member of the board.

[Mr. Winters.]

The government of Canada pays the whole cost of the capital program as formulated by the board and is obliged to pay up to $175,000 yearly toward the annual maintenance costs. In addition, it of course pays the salary and expenses of its members of the board. The formula with respect to maintenance costs provides that revenues from the surface rights be available to the provincial government and that the federal government contribution for this purpose be reduced by the amount by which these revenues exceed $125,000 per annum. During the past four years, ending March 31, 1952, the total expenditures for maintenance were $1,118,196. Of this amount, Canada contributed $276,086; the balance of $842,110 was paid by the province. This amount accrued to the province in the form of revenues.

As I indicated before, the board commenced to operate on April 1, 1948, and the fourth year under the agreement ended on March 31, 1952. Approximately two-thirds, $3,849,269, of the capital program has been completed. The capital program consists of the construction of roads and trails, fire towers, buildings such as wardens' cabins and storehouses, the installation of a radio communication network and the carrying out of forest inventory surveys and other necessary investigations. As a matter of interest, I might mention that to date 147 miles of trunk roads, 140 miles of secondary roads and 257 miles of truck fire trails have been built.

There still remains to be spent on the capital program $2,450,731 and under the present agreement this must be spent by April 1, 1954. The board has requested, and the two governments have agreed, subject to the approval of parliament and the Alberta legislature, to an extension for one year of the time for completing this work. It is considered that the money could be spent to better advantage if the period were thus extended. The federal government's commitment, however, remains at $6,300,000.

On the basis of experience gained during the first four years of the agreement, and in the light of increased costs, the board considers it necessary to increase the amount to be spent annually on the maintenance program in order to ensure the carrying out of proper protection and conservation services. The agreement now limits the yearly maintenance program to a maximum of $300,000. It has been agreed to increase this maximum to $450,000 and the provincial government has undertaken to pay all the costs of the yearly maintenance program, commencing April 1, 1952.

Whereas the board now consists of two federal appointees and one provincial appointee, the Alberta government has recommended that upon completion of the capital expenditure program, that is, the date of April 1, 1955, as provided for in the agreement, which is before hon. members at the present time for approval, the composition of the board should be one federal and two provincial government appointees for the balance of the 25-year period of the original agreement. As by that time the federal government will have discharged its responsibilities for the capital program and the provincial government will have assumed the responsibility for the cost of the annual maintenance program, the recommendation seemed to me to be reasonable and it has been incorporated into the agreement before hon. members now.

I should point out, however, that there will be no change with respect to the obligation of the board to formulate programs for the yearly maintenance of a complete protective forest management service nor with respect to the obligation of the provincial government to carry out any such program for the remaining eighteen years of the agreement.

The agreement embodying the above changes has been signed by the two governments but is subject to approval by parliament and by the legislature of Alberta. The purpose of this bill is to seek parliament's approval of the agreement and to amend certain sections of the act in order that it may conform to the amended agreement.

Mr. Rodney Adamson (York West): I do not propose to speak at any length on this bill which I think the house can agree is a desirable measure for the preservation of the economy of the eastern slopes of the Rockies. There are, however, one or two matters concerning it which to my mind should be explained. Does this project form a prototype of other projects to be undertaken by the federal authority in other provinces of Canada? Under this project such matters as fire protection, forest management, pest control and all the other things which are looked after purely by the provinces elsewhere, are undertaken by the federal government. If this is to represent a pattern of other developments, I think it would be interesting to know it at this time.

I see the agreement runs for eighteen years, which would seem to be a reasonable time.

Mr. Winters: It is a 25-year agreement.

Mr. Adamson: That is better. There are still eighteen years to run. When the minister replies I should like to find out the situation with respect to two or three matters. For instance, in the province of Ontario fire protection and these other matters are carried out by the province, frequently in conjunction with private companies that are operating in the area. I should think the house would like to know whether there is any intention of extending this.

The minister did not make any reference to the expenses and the salaries of the board. I suppose that can be discussed when the bill is in committee. It is information that the house should have. As I have said, I do not propose in any way to oppose this legislation, but we should have the facts as to whether this represents a departure, and as to whether it is to be duplicated elsewhere, or whether it is the intention solely to have this project as one of a kind and not proceed to enter into agreements with other provinces. In other words, does this open the way for other provinces to enter into agreement for forest management with the federal authorities?

Mr. Solon E. Low (Peace River): As one very keenly interested in the preservation of the eastern slopes of the Rockies and in conservation of the forest there I should like to say a word in connection with this bill. I was gratified when the bill was brought in. I understand it was first passed by the Senate, and it is now placed before us for second reading. I was also gratified with the report of the progress of the board set up under the act that was given to us just a short while ago by the minister. I think most commendable progress has been made not only in the field of capital construction but also in extending a network of roads and trails, the building of lookouts and preparation for the fighting of fire in almost every section now of that great reserve.

I was interested in this project, Mr. Speaker, from the first experience that I had in the provincial government of Alberta. It took us something like seven or eight years of rather intensive work finally to be able to get the federal government to join in an agreement such as is now embodied in the act, and I was exceedingly well pleased when we finally did get the federal government to realize that there was some federal responsibility there.

I was interested in what the hon. member for York West had to say a moment ago and the questions he asked. He asked whether this bill would be considered a prototype or pattern of future arrangements as between the provinces and the dominion in this field of forest management.

It so happens, Mr. Speaker, that the east slope of the Rockies is the watershed that feeds several very important rivers that flow across a number of provinces. The North Saskatchewan is perhaps the most important of them, although the South Saskatchewan also has its headwaters in this area. These

waters are of tremendous importance not only to the province of Alberta but to Saskatchewan and Manitoba. We in Alberta have been conscious for a good many years of the importance of utilizing the waters for irrigation purposes to reclaim many areas of dry land in our province and to bring them back into something like good production. In the course of utilizing these waters we came face to face with the necessity, however, of making some arrangement so that the sister provinces of Saskatchewan and Manitoba could also have part of these waters. The fact that they rose in Alberta and flowed across our territory did not give us the right to all of the water in the rivers. We realized that if Saskatchewan, for example, much of which is in the Palliser triangle, were ever to become stabilized in its agriculture, it would have to utilize this water, and there would have to be a fair division worked out.

Something the minister did not say this morning, when making his short introductory report, was that when the final agreement which was embodied in the act to set up the eastern Rocky mountains forest conservation board was made, and when the agreement was signed between the provinces, it embodied also an agreement for the division of the waters. This board has the right to allocate certain of the waters of the North Saskatchewan river and its tributaries to the provinces of Saskatchewan and Manitoba. I understand that allocation has been made, and that is where the federal government enters the picture—that is, chiefly as a federal party concerned with a matter which does touch the interests of more than one province.

And so the federal government did make an agreement which, I suppose, will be the prototype or pattern for years ahead, if similar situations do arise. I know of none at the moment, but there may be others in other parts of Canada. I would like to impress upon the house that the federal government, and very wisely in my opinion, did assume its part of the responsibility for preserving the watershed on the east slope of the Rockies. Otherwise perhaps there would not be waters for Saskatchewan and Manitoba, and perhaps not even for Alberta.

The area known as the east slope of the Rockies is a large one. For many years, in certain parts it has been almost inaccessible. For a province with the resources Alberta had, in the past at any rate, successfully to preserve that watershed was just more than could be expected of it. The costs were terrific. Even during the early years of my experience in the government of Alberta, fires were frequent, and at times it would cost us as much as a million dollars in a year to fight fires. That was a terrific drain on our limited resources, and was one of the things which urged us to try to get federal help. I think all hon. members realize the federal government does have some responsibility to help a province, especially in a case of this kind in which are involved waters that flow through more than one province, and touch the interests of all those provinces very closely.

I was never quite satisfied that the federal government took its full responsibility. I do not believe the amount of money agreed to, either for capital consumption costs or for yearly maintenance, was equitably divided. I believe that right from the start Alberta has borne a bigger share of that responsibility than it should have borne, with the limited resources it had.

However, we are grateful that the agreement was made and that the federal government realized its responsibilities. I wish the minister to know that I am not criticizing anything that has been done when I say, as I do say, that the province has carried a disproportionate share of the cost of the preservation of the watershed, in view of the importance of that watershed to other parts of Canada.

Mr. Winters: Would the hon. member tell the house what, in his understanding, the Alberta government is doing on this project.

Mr. Low: The Alberta government is managing the forests and, as the minister has already pointed out, on a limited scale they are taking into their treasury the amount of earnings that can be taken out of a forest as a result of lumbering, and things of that kind. This does make up in some respects to them for their out-of-pocket costs. But let us not forget that those lands are provincial lands. Ordinarily those forests would be managed under a provincial forestry scheme, with the full amount of the returns from the lumbering industry in that area going to the province. Now it is being spent to a large extent on the projects under the agreement.

As I say, I do not wish to be unduly critical in any respect, but I have said that, as in the costs of irrigation, in my view the province has been asked to share a disproportionate amount of the costs in this connection. But they are not kicking about it; they are grateful that the federal government has realized its responsibility and has come into the scheme.

We do not want to be critical at all. Let me say at once to the minister that I think the board has done a remarkably fine job. I commend the minister for the interest he has taken, and also for having brought in this bill to amend the act and to extend its provisions for a further period of time. My

observation would be that it would have been impossible for the board to spend efficiently within the time specified the capital moneys provided under the act in 1948. The minister is certainly justified in extending that time; because we want to have spent well and efficiently whatever capital moneys are spent. Therefore I believe he is wise in making provision for that extension.

I support second reading of the bill, and offer my thanks to the minister for the good job he has done.

Mr. E. T. Applewhaite (Skeena): Mr. Speaker, I believe I shall be able to say before one o'clock everything I wish to say. I wish to express approval, and I believe also the approval of all of us from British Columbia, of the principle behind the bill and the act it amends.

I have been interested in the suggestion of hon. members opposite that this bill might serve as a prototype for legislation affecting other areas, provided of course that adjustments were made for differences in circumstances.

I do not believe that at this stage of the session one should make a long speech as to the advisability or essentiality of greater co-operation between the dominion and the provinces in respect of the preservation of many of our exhaustible resources. At this stage of the session we will have to take that for granted. Neither is there time for me to deal in detail with the geography and the other problems in connection with the forests which lie to the west of the summit of the Rockies. I would merely remind the minister that the headwaters of many of the large and important rivers are to be found there, and that the forest resources to the west of the Rockies are of great importance not only to British Columbia but to the Dominion of Canada as a whole. We look forward to the day when he and the government of British Columbia will have worked out a somewhat similar arrangement for the preservation of the forests of that province.

Mr. Rowe: Mr. Speaker, I do not wish to detain the house for any considerable length of time, but I would not be able to complete my remarks before one o'clock.

At one o'clock the house took recess.

The house resumed at three o'clock.

Hon. W. Earl Rowe (Dufferin-Simcoe): Mr. Speaker, at one o'clock we were discussing the statement made by the Minister of Resources and Development (Mr. Winters). I listened carefully to his remarks and I do not intend to detain the house at any length at this time. It is a rather unfortunate tradition that during the last dying hours of a session many important matters are passed over rather lightly. I want to compliment the minister on some of the developments with reference to the policy concerning eastern Rocky mountain forest conservation. I well recall that a few years ago I urged the government to co-operate with the provinces with respect to forestry developments. I think it has been commonly accepted in the house and perhaps in the country that the great natural resources of our forests have not received the same attention from the dominion government, and indeed sometimes from the provincial governments, in proportion to the attention received by the great industry of agriculture.

Therefore I am glad that a policy suggested on this side of the house some years ago has been adopted to some extent and that the government has made some headway. However, as the hon. member for York West (Mr. Adamson) suggested this morning, I think when the minister replies before this short debate closes he might give us some indication whether this measure is the prototype of a policy that might be extended to other provinces. The hon. member for Peace River (Mr. Low) pointed out that the provinces of Alberta and British Columbia could not be expected to carry on the extensive program envisaged by this policy. I wish however to remind the government again that the dominion treasury probably receives more from the forest industries of the dominion than from almost any other industry in Canada. In these days when the dominion government is collecting 72 per cent of all taxes paid in Canada I think it is only natural for these great enterprises that contribute so much to the dominion treasury, which now takes far more percentagewise of the taxpayers' money than ever before in history, leaving the provinces with only about 16 per cent of the taxation revenue of the country, to expect a keen and growing interest in conservation, forest protection and all the activities that the minister neatly described this morning.

I do not want to delay the house at this time. This is a big subject and we have discussed it on other occasions, but I want to point out to the minister that I hope his department will give serious consideration to extending the plan to other provinces that have contributed so much to the development of the great forest wealth of the dominion, and accordingly so much to the dominion treasury. On the other hand, I might also suggest that I think consideration should be

given to putting the matter in a little different classification. I know there is always a danger of duplication. However, we have had a dominion Department of Agriculture working in co-operation with provincial departments of agriculture down through the years, and while we have heard on many occasions that there is a great duplication of services, and accordingly extravagance in costs, nevertheless I believe it is generally accepted by the great agricultural industry that excellent service has been rendered in many ways by the dominion and provincial departments of agriculture. In this case it seems to me there is a danger of this enterprise and service being divorced somewhat from government responsibility. I hope the government will give consideration to enlarging the policy, and in enlarging it will consider it as more of a definite government responsibility rather than placing the responsibility on boards outside of parliament.

Mr. G. M. Murray (Cariboo): Mr. Speaker, representing as I do the only riding in British Columbia which takes in a part of the eastern slopes of the Rocky mountains, I think it is only fitting that I should make some reference to the measure before the house and express regret that the government of British Columbia has not also joined with the government of Canada in legislation of this kind. It is remarkable that the work to be carried out under this proposed measure stops at the 120th meridian which is an imaginary line dividing for some hundreds of miles the forest and other lands on the east side of the Rocky mountains from similar areas within the province of Alberta.

I think this bill is the culmination of good work started many years ago by Sir Clifford Sifton, one of our great Canadians, who at one time had charge of the department which is so ably represented in the house at the present time. In his day Sir Clifford urged conservation measures along this line. He had great vision and saw the need of controlling the water and power resources of that part of the country. Following him there was the Hon. Charles Stewart, another empire builder, who was premier of Alberta and who, like the present premier of that province, showed an interest in conservation and legislation of this kind. I would like to pay tribute also to a predecessor from the riding of Cariboo who headed the Turgeon committee on reconstruction and development in 1944. On page 6 of the report of that committee I find:

> We recommend that serious thought be given to the preservation of forests on the eastern slope of the Rocky mountains. The destruction of these mountain forest reserves in the province of Alberta is causing a serious depletion of the water resources of the prairie provinces.
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> We recommend also that reforestation and aforestation be given serious study with the view to co-operation between various governments for the proper conservation of our forest resources.

Now I could read further but it is well to say that this is a true issue as a result of many years of effort on the part of leaders who had in their hearts the welfare of that part of western Canada.

Mr. Armand Dumas (Villeneuve): Mr. Speaker, anxious as I am not to delay the work of this house I feel I should say a few words on this matter.

First I wish to congratulate the minister on having presented this bill and I also wish to congratulate the government of the province of Alberta, which has come to an agreement with the Canadian government, on the work which is to be carried on in the line of what we can see in this legislation. I am a little surprised that there is no mention of the forestry act in this bill but I presume that in order to put this in force the government had to pass a special bill. The Canada Forestry Act was enacted in 1949 and it is with much regret that I learn that the province of Quebec is the only province which has not taken advantage of that legislation to date. I hope that in the very near future our province will go ahead and co-operate with the government of Canada in taking inventory in the province, in doing some reforestation work, and in that way co-operate with what is being done all through the country.

In reading some of the articles of this bill and in the schedule to the bill I see that much capital expenditure will be made, most likely in reforestation because I understand that is required for this part of the eastern Rockies. It will be very important to have conservation of the land and of the water, and that there be regulation of the water. It is very nice to know that the provincial government is co-operating with the Canadian government in this work. I would like the minister to tell us the total area of land involved in this legislation and I would also like to learn from the minister if other work will be done, for instance exploitation of the forests in that section in conjunction with the province.

I say again that I hope, like the member for York West (Mr. Adamson), that this legislation may be a pattern for other provinces. I hope that comes true because a lot can be done to have conservation, reforestation, and regulation of water courses.

Mr. Pierre Gauthier (Portneuf): Mr. Speaker, I have just a few words to say.

I cannot speak on the different agreements which might be made between the federal government and the provinces but I can say that I wish for agreements between the federal government and all the provinces for the protection and preservation of our forests.

A few years ago, speaking on a subject of this kind, I asked that a campaign of education be opened by the federal government and by the provinces toward the acquisition by our population of more knowledge concerning preservation and conservation and especially the promotion of reforestation in all of Canada. I think it is a point on which we should centre our attention and bring all provinces, Quebec included, into the same field of knowledge.

Mr. Arthur Laing (Vancouver South): Mr. Speaker, I would like to say a few words on this bill even at the hazard of extending the time for argument thereon; because I think the principle established in this bill is one of the most important that we have seen in this house for some time.

I congratulate the minister wholeheartedly on entering into agreements with the provinces on such a basis as this. I am not unmindful that in this particular case participation by the federal authority is more justified because this concerns I think three provinces in all and it concerns the headwaters of a number of rivers—probably three or four. There are the two Saskatchewans, the Macleod river, probably the headwaters of the Athabaska, although I am not sure, and the Red Deer river.

I agree with the hon. member for Cariboo (Mr. Murray) and would like to have seen participation in this bill by the province of British Columbia and the province of Alberta.

Mr. Blackmore: We in Alberta wanted that too.

Mr. Laing: I think the chief interest in this particular bill is the preservation of water rather than forestation. My memory goes back to 1935 when I spent a few days in Japan and I remember looking up at the Japanese hills and seeing trees planted in rows to the very top of those hills. They did that to preserve water for irrigation and to collect water for waterpower. We have not reached, and in this country we will not reach for many generations, a time when that is either economically necessary or practically feasible, but I think we have reached a time when we should take every opportunity to preserve every bit of cover in this country and to save every tree we can.

Some hon. Members: Hear, hear.

Mr. Laing: To my mind this is the most vital and the finest piece of legislation along that line I have seen for some time. I want to speak to the minister particularly and to ask him to please see that his test tube men, and I think he has some, begin to pay some attention in this country to the quality of water. I am dealing now with irrigation farming which is the most hazardous type of farming on the face of the earth. That can be borne out by a study of the irrigation projects on the Nile, two or three in California and one or two in the state of Montana which started out as fine projects but today are completely abandoned.

I draw to the attention of the minister the fact that in irrigation farming the water must be something more than wet, and if we have too high a concentration of alkalinity you simply cannot successfully practise irrigation farming for very many years. Less than ten years ago I had occasion to make some inquiries from the departments here concerning the alkali content of some of the lakes in the Okanagan valley in the province of British Columbia. To my utter dismay I found they had never been tested with the single exception that some slight sampling had been done by the Department of Fisheries in 1912.

I think the more we study our irrigation methods in Canada, those operating at the present time and those which we may operate in the future, the more we shall find that we are going to have to call upon technical men to make a thorough chemical survey of the waters that we propose to use in all parts of Canada. I hope the minister takes this action in respect of those waters, because those waters are a great resource about which, in so far as their potentiality for irrigation purposes is concerned, we can and should know more than we do at the present time.

Mr. George A. Drew (Leader of the Opposition): I propose to say very little on the general problem in connection with this bill, Mr. Speaker, because that has been adequately covered. Support for the general principle of this bill has been fully stated. There is, however, one feature of this measure which I suggest to the consideration of the government. As the government recognizes the general support throughout this house for a program of conservation, I hope that it will consider the inconsistency of its position when it is so strong in its support of conservation of forest resources and so determined in resisting any plans for conservation of our other resources which will not replace themselves as our forests will. If

the conservation of forest resources is important, the conservation of other resources is still more so.

May I strongly urge the government, as it receives the support which it has received and will receive for this measure, that it extend those ideas of conservation in the future instead of resisting the proposals from the opposition for planned conservation.

Mr. Speaker: If the minister speaks now, he will close the debate.

Hon. Robert H. Winters (Minister of Resources and Development): In closing this brief debate, I wish to thank all hon. members who have, in such a constructive way, taken part in it and shown that they endorse the principle of the act which has been on the statute books since 1947. The bill before the house now embodies amendments which are relatively minor when considered in the light of the over-all project. It would be interesting indeed, Mr. Speaker, if at this time we could develop a debate on conservation, because there is much to be said for the government's program in the various conservation fields.

At the outset, I wish to say that I disagree quite strongly with what the leader of the opposition (Mr. Drew) said when he intimated that the government is resisting attempts to conserve Canada's natural resources in any field at all. In fact I think if he will review the government's program carefully, as I am sure he tries to review everything this government does, he will come to the conclusion that the performance in the field of conservation, in co-operation with other governments at all levels and private industry, adds up to quite a fine record of accomplishment. He need not go beyond the Canada Forestry Act to see the government's policies and intentions in the field of forestry which is so important to the Canadian economy.

In a more limited way, the government has participated in projects which are of merit in the local economy as well as in the economy of Canada. There are several good examples in the province of Ontario with which, until relatively recently, the leader of the opposition was more directly concerned. I need only mention the conservation projects on the Grand river and now on the Thames river, where the provincial government, conservation authorities and the federal government are coupling dams for the conservation and regulation of waters with more comprehensive programs of reforestation of the drainage areas, which I am sure will not only stimulate forestry development but will help to conserve the water. Then, too, there is our great program of national parks for which the federal government is entirely responsible, and which cover many thousands of square miles.

There is now, under the direction of the Minister of Agriculture (Mr. Gardiner), the Prairie Farm Rehabilitation Act, which has shown itself to be so valuable in this country. There is the Maritime Marshland Rehabilitation Act, as well as others. I cite those only as examples, because if I did more than that I would be out of order on this bill.

Mr. Drew: You could mention the Saskatchewan irrigation project.

Mr. Winters: In reply to specific questions, I might say that the federal government is responsible, in so far as this Rocky mountain project is concerned, for the capital expenditure and for a share in the cost of maintenance. Those are the two expensive phases of the operation. With respect to capital expenditure, there is no obligation on the provincial government of Alberta whatever. With respect to maintenance, the government of Alberta is responsible for paying up to $125,000 a year if the revenues accruing from the surface rights do not exceed that amount. It so happens that the revenues have exceeded that amount ever since the agreement has been in effect, so the government of Alberta has not been required to pay either towards the cost of capital development or towards the cost of maintenance.

The hon. member for Villeneuve (Mr. Dumas) asked what the area was. I covered that in my opening remarks, but I shall be glad to repeat that the area is of the order of 8,600 square miles. Again I wish to thank all hon. members for their endorsation of this bill which is so important to the waters of western Canada.

Motion agreed to, bill read the second time, considered in committee and reported.

Mr. Speaker: When shall this bill be read the third time?

Some hon. Members: Now.

Mr. Knowles: By leave.

Mr. Winters moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF AGRICULTURE

1. Departmental administration, $344,433.

Mr. MacLean (Queens): As a farmer coming from a province which depends for its income almost entirely on agriculture and fishing, I

feel obligated to make a few remarks on this item. There are a few general observations I should like to make, and then I have one or two questions to which I should like answers if the minister would be kind enough to keep them in mind. It was not my intention to refer at all to the question of foot-and-mouth disease, although I did have the interesting experience of serving on the committee investigating the outbreak of that disease in Canada. It was not my intention to mention it in these remarks, but because of some of the arguments which were advanced yesterday I feel compelled to make a few observations in that regard.

I feel that, in the report of this committee, an attempt has been made to leave the impression that everything that could be done was done in an effort to stamp out the foot-and-mouth disease in this country. I think that it is admitted by everyone that, once the disease was diagnosed and identified, an excellent job has been done by those concerned in stamping it out after the middle of February; and I think they deserve the congratulations and the thanks of the Canadian people for the fine effort they have made.

When it comes to the question of the time required to identify the disease, however, I think there is a great deal of room for improvement. If the impression is left that a time lapse of two and a half months is sort of normal, or at least is acceptable, or that it even can be tolerated as a reasonable time lapse in the diagnosis of foot-and-mouth disease, I think we are doing our future cattle industry a great injustice. After all, if we hope to re-establish the confidence of the people of the United States and of the United States government—and after all, that is what we are primarily concerned with in our policy to control the foot-and-mouth disease—we must convince them that we will not leave any stone unturned in our efforts to diagnose, in as short a time as possible, any future outbreak of the disease; that we will make every effort to stamp it out; and that we will press forward towards the objective of stamping it out completely, letting the chips fall where they may, if there is any indication that there has been inefficiency on the part of anyone concerned.

Further, I think the suggestion that almost a quarter of a year is a normal time for the Canadian veterinary profession as such to require to identify foot-and-mouth disease is an unjustifiable reflection upon the profession in this country. I feel that the vast majority of men in the veterinary profession in this country, if another outbreak should occur, would be capable of having it identified in an extremely short time. In the United Kingdom the experience has been that fresh outbreaks of foot-and-mouth disease are not identified in a matter of months, weeks or even days but quite frequently within hours of the outbreak being recorded. The matter of time and the urgency of identifying the disease are recognized to be so highly important in the United Kingdom that, according to my information, the department of agriculture in the United Kingdom keeps a man on duty twenty-four hours a day, seven days a week, for the express purpose of receiving reports of outbreaks in the United Kingdom of diseases that could possibly be foot-and-mouth disease, so that the proper authorities can be immediately alerted and the proper action can be taken at once to identify the disease and to determine whether or not it is foot-and-mouth disease.

I am convinced that the best method for us to adopt in our endeavours to regain the confidence of the United States government or the United States department of agriculture is to show a willingness to do everything possible to identify, to diagnose, and to publicize the fact of any outbreak of any disease that may occur in this country. After all, if we are to suppose that it is normal, or if we are even to suggest or to imply that it is normal to take ten weeks or so to identify foot-and-mouth disease, it is not fair to expect any country to buy cattle from us at any time if the disease may be going on in this country for ten weeks before we even know whether it is there or not. I do not think any reasonable person would expect us as a country to import cattle, sheep, or any other animal from a country which was as inefficient as that in its diagnosis of foot-and-mouth disease.

That is the only observation I have to make in that regard, except that I should like to ask the minister if he would be kind enough to let me know what method was adopted in arriving at a figure for the payment of farmers who had fowl or poultry destroyed owing to the foot-and-mouth disease. What was the amount of compensation paid and on what basis was it paid? Also, on what basis was compensation paid in the case of poultry which had to be destroyed on account of Newcastle disease?

With regard to Newcastle disease, it has been reported to me—I do not know whether the report is accurate; and I should like the minister, if he would be kind enough to do so, to inquire as to whether or not it is accurate—that in certain cases where poultry which had Newcastle disease in the province of Nova Scotia were destroyed, the bodies of the poultry were not properly

disposed of, so that sea birds acquired access to those bodies, with the result that sea gulls and various other sea birds acquired Newcastle disease and died in large numbers. I do not know whether or not that report is correct, but I think it should be officially denied if it is not. That is the rumour that is going around, namely that large numbers of sea birds in the Northumberland strait are dying of Newcastle disease. I do not know whether that is even possible, but I should like it to be officially denied if it is not.

I have been disturbed by the fact that it would appear that over the last number of years the agricultural industry has been taking a less important place in our economy than it has in the past. I am disturbed by a report dated Ottawa, June 24, which points out that the farm population of this country has declined over the last ten years from 3,100,000 persons to 2,900,000 persons. That is a drop of 200,000 farm people in a ten-year period. I know, and I think it is generally recognized, that part of that drop is owing to the fact that—because of mechanization and other means which make agriculture more efficient from a labour point of view—a smaller number of people can cultivate a larger amount of land than was the case in the past. I am disturbed to notice that, in eastern Canada, not only has the farm population gone down over the last ten years but also the acreage under cultivation. That statement applies to nearly all of the eastern provinces of Canada. I think that is an extremely unfortunate state of affairs. Our agricultural industry has not only been decreasing in importance in relation to our general economy but it has been factually decreasing in importance over the last number of years. In that regard, I happened to notice that the net farm income for 1949—that is the latest figure I have—was something like $1·5 billion. The budget for last year is over $4 billion. That means that the total farm income for 1949 is only slightly more than one-third of the federal taxes which must be paid in this coming year. In other words, the federal government has become a business which is almost three times as important as one of our leading industries, namely the agricultural industry. I think that everything possible should be done to stimulate our agriculture and our industry generally, and to find markets for any products which we may have over and above those required for the consumption of the Canadian people. After all, the world population is increasing at a very rapid rate. Taking the world as a whole, our food supply, relative to our population, is becoming less and less and I believe that both from a general economic point of view, and from the point of view of defence, everything possible should be done to bring our agricultural industry as near its potential as possible.

People will say that that is being done and that we have an excellent record as an agricultural country. We look upon ourselves perhaps with regard to the production of wheat as leading the world. I should like to quote just a figure or two with regard to that. If we look at the way in which we have exploited our possibilities with regard to wheat production we find that Canada produces only about one-third as much wheat as the United States, and only about one-third as much wheat as the U.S.S.R. Our wheat production is only slightly greater than that of France, a small European country. Italy produces almost as much as the whole of Canada. It does seem to me therefore that there is a great opportunity for us to stimulate and develop our agricultural industry as much as possible.

I feel that some of the causes of the decline in our agricultural production relative to the economy of the country as a whole in the last number of years are due to the fact that many of our farmers are not as efficient as they should be. I am very strongly in support of everything that is done by the Department of Agriculture in a scientific way to try to improve agricultural methods, but I still feel there is considerable room for research in that regard. One thing I can think of at once is the fact that in this country agricultural power as applied to farm tractors and as produced in eastern Canada is almost entirely by gasoline. In Europe it is very unusual to see a gasoline tractor on the farm. Nearly all the tractors used in Europe are diesel tractors. A diesel tractor will produce twice the amount of power on a gallon of fuel as a gasoline tractor will, and in addition to that diesel fuel costs about half as much as gasoline. Therefore from the fuel cost point of view diesel power is about one-fourth as costly as gasoline power.

I know that research is done by the Department of Agriculture into the suitability of farm machinery, but I feel that that is a phase of the scientific effort of the Department of Agriculture which should be pressed forward in every possible way. I feel, too, that much of the excellent research that has been done by the officials and the scientists of the Department of Agriculture to improve the methods of agriculture in this country is not getting through sufficiently to the people who need it most. If a farmer is a good one he tends to acquire this information for himself. He goes out and gets it. It is the poor farmer who is not so apt to seek this information himself. I welcome every

possible method which may be used or expanded to bring the information and the knowledge which is available to the people who need it most.

I am very pleased to see that the year before last some films were produced by the national film board, sponsored by the Department of Agriculture. I have not the figures for the last year. I hope that policy has been continued, and I would be interested to have a brief comment from the minister telling us the program in that regard, because I feel that the importance of getting the information at hand, the knowledge which the experts have, if you like, to the average farmer is something that cannot be emphasized too much, because in this day and age farming has become a very complicated and difficult job. If the farmers are to be efficient they must have a wide knowledge of quite a varied field with regard to the chemistry of soils, the breeding of livestock and of an infinite number of things. This requires a very good general technical education, if you like, in the vocation which they are following. I believe that any effort that can be made to improve the efficiency of the average farmer in Canada and thereby make rural life more attractive and more remunerative to the average farmer will strengthen the general fabric of our country and will be highly justified.

Mr. Gardiner: Before replying to some of the statements made I should like to make a correction in *Hansard* of last evening at the top of page 3811 where the hon. member for Brant was asking me a question. The first question is:

> Has the minister ever visited the institute at Hull?

I take it from what followed that I broke in, in the middle of the question, and I said: "Yes." Then the hon. member went on to say:

> To see how this is done?

Well, I see that in the noise that was going on I said "yes", again. I was not there to see how this was carried on. As a matter of fact, at the time it was being carried on I was not in Ottawa at all. I just want to correct that and make it plain that last night I did not intend to say that I was at Hull at the institute for the purpose of seeing how tests were made in connection with this disease.

Mr. Rowe: You do not wish to become a "yes, yes man" to that investigation.

Mr. Gardiner: Probably at the same time, and particularly in view of what my hon. friend has just said, I had better complete the record in connection with the same matter. I made inquiries this morning in order to get full information with regard to the use that was made of the Hull lab. The full record is this: On February 13 and 14 material was collected in Saskatchewan. On February 16 the material arrived at Hull. On February 16 material was injected into cattle, horses and sheep at the Hull laboratory. On February 18 technicians reported gravely suspicious symptoms. Then, portions of this material were later sent to Grosse Ile for further tests, which confirmed tests at Hull. All samples following this were sent to Hull and relayed unopened to Grosse Ile. That is the complete record with regard to it, and anyone who is discussing this matter should have that record before them, and I therefore wish to put it on *Hansard*.

I wish to express my own appreciation of the type of speech which the hon. member who just took his seat delivered in connection with these estimates. The criticisms made were legitimate ones, and the suggestions made were helpful. I am sure that is what every hon. member has in mind to do, in the first place, to criticize what ought to be criticized and to try to be helpful in any suggestion made.

I should like to say, with regard to the criticism that agricultural population has been dropping in Canada during the last ten years, that there is an explanation for the figures which appear in the census of 1951 as compared with 1941, which is not apparent unless one goes into the details. The definition of "farmer" has been changed in 1951 as compared with 1941. The provision in the census of 1951 is that we do not list anyone as a farmer who is operating less than three acres, whereas in the census of 1941 we went down to one acre for farmers. Then higher incomes are required in order to say in 1951 that a man is really a farmer, as compared with 1941. That accounted for about half the difference between the farm population as listed in 1951 as compared with that of 1941.

Then I think it should be kept in mind that there was quite a change brought about by the fact that the war came in 1939, and that it developed to greater intensity in 1940 and 1941. It was widely stated during the period of the war—and I think it was generally correct—that there were about 400,000 young people on the farms across Canada in the later thirties and the early forties who under ordinary circumstances would not have been there at all. We had been passing through a very difficult economic period. Young people who had intended

to go to universities were not able to go. Other young people who intended to go into other employment were not able to find that employment, and they were on the farms.

Shortly after war began—at least, within two years after it began—there were 400,000 less young people on the farms, and we were producing more without that 400,000 than we had produced with them. This simply meant that following the ten years of depression there was a considerable proportion of our population who were on the farms but who did not wish to be there and were awaiting an opportunity to leave. A family of a certain size has one, two or three who must leave that particular farm and go somewhere else. That population to the extent of some 400,000 did go away, and not all of them came back, naturally.

So the farm population, as compared with 1941, is down somewhat on that account. But at the same time there is the other reason given by the hon. member for the decrease in farm population, namely that farms are more mechanized now than they were before. I think in that connection one should keep in mind the fact that while a very considerable part of the population of Canada is not now listed as farm or, in some instances, even as rural population, and while it is correct to say that, in a sense, there are between two and three million people listed as farmers, about six and a half million of the Canadian population, or almost half of it, is listed as rural. There is not a great deal of difference between a farmer and a rural person who lives in a hamlet or small town. These people live very close to the farms, and usually they are doing those things which at one time in our development were actually done on the farms. I am sure every member in the committee can remember far enough back to recall the days when a very large percentage of our hogs were actually killed on the farms and then peddled in the towns and cities. One can remember, too, back in the earlier period, when a very considerable portion of the blacksmithing and all that sort of thing was done by the farmers themselves. Eventually we had blacksmiths in our towns and villages who did that work. These people were doing work which previously had been done on the farms.

Then, as we have mechanized our farms, a great many with a mechanical turn of mind have gone to the cities and towns to produce the machinery that is needed, to repair it, and all that kind of thing. If we make allowance for that development over the years, including the development in transportation facilities and everything else that takes people away from the farms but still keeps them in touch with the actual production and marketing of food, and making it available to people who will consume it, we can quite easily show that a very considerable part of the six million people who are listed as rural people, together with a very considerable number of those who are even in some of our cities and towns that have been incorporated, and have therefore become urban, could compare favourably with those who had been listed previously as farmers.

In other words I think it is correct for those of us who live on farms to maintain that about half the population of Canada is really very closely associated with what we believe to be Canada's most important industry. Indeed they are so closely associated that we had 750 representatives of that group of people appear as guests of the Department of Agriculture at the Chateau Laurier the other evening. The whole 750 were representative of what might be called the secondary group of agriculturists, those who do not live on the farms but whose work is connected with that of the farms.

At the time the census was being compiled this last time I put forth a little effort to try to convince those who were making it that we should find some way of bringing those people into closer touch with our farm population in that census, in order to emphasize the fact that this country still is largely an agricultural country. I hope that by the time we get around to making another census, whatever government is here at that time will give some attention to this matter and try to indicate in the census that relationship which, I think, will give a better understanding outside this country of our position as agriculturists.

Then on the matter of increased production of farm products: I quite agree that, so far as we can find markets for farm products, we should encourage an increase in their production. I appreciate the remarks of the hon. member from Prince Edward Island, the most completely agricultural province in Canada; and I appreciate them as one who comes from the province which stands second to Prince Edward Island as being the most completely agricultural.

Mr. Decore: Mr. Chairman, I should like to draw the attention of the minister to the value in our Canadian economy of the experimental farm service. As the minister indicated a moment ago, agriculture is our most important industry; and I feel that if we are to compete in world markets farming operations must be carried on on a scientific basis, and the best available farming methods ought to be used. This is especially true in western Canada, from which I come.

The three prairie provinces are essentially agricultural in nature, and because of their distance from markets and the fact that we must depend upon export trade it is essential that the costs of production be cut down as much as possible. For this reason one cannot overestimate the value of experimental farms. Therefore the expenditures the government make are, I believe, a great investment for the benefit of agriculture in this country.

Apart from the value of these experimental farms from the standpoint of making experiments, I believe the greatest value must be placed upon the educational facilities these farms offer to people in and around the communities in which they are located. Farmers have the opportunity of seeing for themselves the type of work being done. The experimental farm will serve a surrounding area of about a hundred miles.

For some time now I have been making representations to the minister and some of his officials, urging the necessity of establishing an experimental farm in that part of northern Alberta, east of Edmonton, from which I come. Let us take the constituency of Vegreville which I have the honour to represent. It is the most densely populated rural area in western Canada. Nearly all the people there depend on agriculture, and the farmers are interested to such a degree that some of the stock breeders have received national recognition for their stock at various livestock shows. There are a number of farmers in my constituency around Spedden, Two Hills, Vilna, Andrew and Hairy Hill who have received world recognition for coarse grains at the Toronto royal fair and the Chicago world show. According to surveys made by the National Trust Company that area contains some of the most productive grain farms in western Canada.

In spite of that I have before me a report which has recently been prepared by Mr. G. E. DeLong, superintendent of the Lacombe experimental farm, on a survey he made of that area in which he has this to say in part:

> Soil erosion was considered a major problem, particularly on the sandy loam soils. No trouble was experienced in 1951 but prior to that in dry years the area was considered one of the worst dust bowls in central Alberta. Weeds were considered another serious problem. Tartarian buckwheat was serious on about 75 per cent of the land; wild oats on 50 per cent; quack grass on 5 per cent and other weeds such as stinkweed, blueburr, sow thistle, Canada thistle and mustards were prevalent in certain areas.

Further on he says:

> A serious soil fertility problem has developed over a period of years. The continual practice of grain growing has depleted the soil with the result that yields have dropped off rapidly in recent years.

The closest dominion experimental farm to the area about which I am talking is at Lacombe, which is nearly 200 miles away. The farm at Lacombe is doing excellent work for the benefit of agriculture, but the farmers in the part of Alberta to which I am referring do not have the opportunity of visiting that farm and deriving the beneficial values which they should be able to get. As I have pointed out, I have made numerous representations to the minister and his officials concerning the need of such an experimental farm in that area. I believe the minister is sympathetic and realizes the necessity of such an establishment; but I also think some of his officials, although realizing the problem which exists, feel that it can be remedied by means of an illustration station.

I have endeavoured to make numerous inquiries regarding the value of such illustration stations and have received opinions from many people. These opinions are expressed in the words of one, William Pidruchney, district agriculturist of Vegreville, who is recognized as very highly qualified in the field of agriculture. This is what he says:

> The idea of the illustration station is not a new one and we could have had one of these established many years ago if a progressive type of a farmer had been willing to undertake the proposition. In addition, I have been observing the operation of illustration stations at other centres and feel that this type of a set-up has very little to offer for the district. The majority of the farmers who enter into an agreement with the federal Department of Agriculture do not get very much financial assistance to warrant undertaking the type of program that is required by the Department of Agriculture. The illustration station set-up may have some value in certain areas of the province—

I believe it has great value.

> —but in this area I feel that there is a need of an experimental station which could be operated on the same basis as those at Lethbridge, Lacombe and Beaverlodge. It does not need to be elaborate to start out with but at least have it established on the same basis and enlarge upon it in the future.

I am drawing this matter to the attention of the minister. I feel that an experimental farm is something that is necessary. It is a vital need in the area to which I have referred, and I hope the minister will give the matter the most careful consideration.

Mr. Gillis: Mr. Chairman, I can assure you I am not going to talk about the foot-and-mouth disease. My main reason for rising at this time is to inform the Minister of Agriculture that there is some farming carried on in the province of Nova Scotia. Last February the Nova Scotia federation of agriculture came to the conclusion that their problems were being completely neglected in so far as the House of Commons is concerned, so much so that on the 5th of February they called a conference of the members of parliament from that province. I was not at the meeting, but I received a copy of their brief.

The reason for the meeting was to acquaint members of the House of Commons with the problems of agriculture in Nova Scotia. In my opinion the logical thing for them to do is send a few farmers here to represent the industry; but until they get around to doing that the coal miners and lawyers will have to do the best they can to tell their story.

In the brief I received from the secretary of their organization they made a lot of observations with respect to imports, exports, differentials in tariffs and so on about which I am not going to speak because a lot has been said on these points, and in my opinion they have been completely covered. They refer to freight rate assistance. The minister has already reported on that. One thing that stands out in their brief is the necessity for the modernization of the railway lines in that part of the country in order to speed up traffic. The Minister of Transport has to do with that, and we will talk to Mr. Donald Gordon the next time we get him before the railways and shipping committee.

My impression of the problem in that part of the country is a little closer to home. I have in my hand a synopsis of a story that appeared in the Halifax *Chronicle-Herald* of June 25 and which is based on the last census. It shows that while there has been an upswing in agricultural production to the extent of about 6 per cent in the last ten years, during that same period there has been a decline of 17 per cent in land under cultivation in the province of Nova Scotia. Apparently we are in reverse compared with the national picture.

I do not know whether the decline in acreage is occasioned by migration to urban centres or whether it is because of uneconomic factors in the industry itself. The minister would know that better than I; but the story one gets from the last census very definitely indicates a trend away from the land in that province. There are hundreds of vacant farms on which families were raised in years gone by. They were educated, moved away, and after the old people died the land was left to stand in an unproductive state. That is one story; but in ten years, while the agricultural production and the acreage under cultivation has increased by 6 per cent on a national scale, there has been a decline in land under production in the province of Nova Scotia to the extent of 17 per cent, and it looks like a continuing decline.

No doubt the minister has seen this clipping. It is very revealing according to the last census, and it gives all the figures. I am not going to waste time reading them to the minister because he has already seen them; but that is why I say the problem is closer to home than imports, exports, tariffs and so forth. I think something has to be done in that province with regard to the utilization of land that would be productive if properly taken care of.

I would just like to leave this thought with the minister. At the present time in that part of the country there is considerable industrial development. I have in my hand a story of the development that has taken place in Newfoundland in the last four or five years. It is contained in the June 20 supplement issue of the Halifax *Chronicle-Herald* which carried a complete story of the industrialization of Newfoundland during the last four or five years and the trend that is expected to continue for the next four or five years. Additional production in that part of the country means there are going to be a lot more people there, and that will mean increased markets for dairy products, meats, and that kind of thing. If we do not follow up and increase our farm production to keep it in balance with industrial production it will be a bad development, in my opinion.

I think the base for any successful economy in this country, whether in a province or nationality, is an agricultural base. As I see the development in Nova Scotia and Newfoundland now, in that area the swing is toward increased industrial production with a rapid decline in agricultural production. I think I am safe in saying that at the present time 50 per cent of what is consumed in that province by way of agricultural production comes from outside. There is a steady decline in our own production, with hundreds of vacant farms throughout the province.

I would like to ask the minister whether there is a possible chance of having the P.F.R.A. legislation extended on a national basis for use wherever the opportunity presents itself in the opinion of the department. I think the P.F.R.A. legislation has done an excellent job on the prairies, but why should that legislation continue to be applicable only to the prairies? I have figures here on the administration of the two acts and they are not very large. However, the thing that impresses me in looking through the departmental administration is the large number of engineers and trained agriculturists the minister has at his disposal. I am reasonably sure it does not occupy all of the time of that highly trained technical staff to look after P.F.R.A. legislation in the prairie provinces. Is there a chance of the government extending that legislation to the provinces of Nova Scotia, Prince Edward Island and New Brunswick? I can see a potential agricultural production in Nova Scotia if it is planned according to need and to match the industrial development that has taken place.

I do not think the provincial department of agriculture, though it is a good department and has excellent field workers, has the kind of men the minister has in his department administering the P.F.R.A. legislation.

In the light of the circumstances as they exist now, with plenty of land and many farms with buildings on them, I am wondering if the minister could not prevail upon his colleagues in the cabinet to extend that legislation to augment the work being done by the provincial department of agriculture, by getting some of his personnel in there with some of the technical advice and experience they have gained on the prairies, with a view to rehabilitating the agricultural industry in the province of Nova Scotia. When the minister gets around to it I would like to have his opinion on this to see if there is a possible chance. I think the answer lies there. The figures speak for themselves. What has been done in the past is all a matter of record, but I think for the future there is a good possibility in that part of the country for greater agricultural production although I can only see it achieved if we get some national assistance such as there is in the P.F.R.A. legislation.

Mr. MacKenzie: Mr. Chairman, I represent a riding that is in the main agricultural, and I feel I should make a few observations at this time. I quite appreciate that long drawn out remarks at this time of the session are not very popular, so I will be as brief as possible.

After all, it has been said here on several occasions, even this afternoon, that agriculture is our basic industry. It is our most important industry, and last year the agricultural income in Canada was an all-time high. According to the dominion bureau of statistics Canadian farm income for 1951 reached the all-time high total of $2,825 million. That was approximately 27 per cent higher than the farm income for 1950. It is true that 1952 prospects are not so bright, I would say mainly due to the outbreak of foot-and-mouth disease that we had here in Canada.

I am not going to be quite so charitable as the gentleman who just spoke; I am going to mention the matter quite briefly. No one suggests that the health of animals branch of the Department of Agriculture, or the officials, had anything to do with the introduction of foot-and-mouth disease in Canada. That is sure. I do not think anybody suggests for a moment that the officials have been at all lax in enforcing the regulations to exterminate and clean up the disease once it was properly diagnosed. I think it is generally accepted and admitted that the officials were a little slow in detecting the disease. I think that is quite true; but I would gather now that the disease is pretty well exterminated, the premises are cleaned up, and the embargo on livestock going to the United States will be lifted in the very near future, or at least at some time in the not too distant future. It has often been said that if the foot-and-mouth disease had been diagnosed earlier we would not have had nearly the economic loss that we had straight across Canada. That is a hypothetical situation and nobody can say, because the disease was probably there in a mild form two months before the embargo was imposed, or probably a little more. For those two months cattle were moving quite freely, and shipments of cattle to the United States were fairly heavy. I would say that under the law of general averages, if the embargo had been placed on two months earlier it would have been lifted two months earlier. The same thing is true the other way around; if it was placed on two months later it will be lifted two months later. By and large I think it will be just about an even break.

I was amazed last night, as a matter of fact, at the exhibition we had here regarding foot-and-mouth disease, with charges and counter-charges being hurled across the house. I have often wondered if committees play as important a part as we think. It is true they have a useful function, but very often members use committees to practise up for speeches they want to make in the house, and here on many occasions we have repetitions of speeches made in committee. This happened quite frequently in the committee studying foot-and-mouth disease, and also in other committees I have attended. I have often wondered why it is regarded as so important to put all the evidence on *Hansard*. I have often suggested, and I am going to suggest it in the next session too, that if we could stop the franking of political speeches that are made in the house we would shorten the sessions by at least two or three months.

Suggestions have been made by different people that we suffered a loss due to this foot-and-mouth disease. It has been said that my province lost so much because of it. The main loss was the loss of the cattle market, that is true. As a matter of record I should like to put on *Hansard* approximately the number of cattle we have in Canada, by provinces:

Province	No. of cattle
Newfoundland	7,944
Prince Edward Island	97,924
Nova Scotia	166,202
New Brunswick	161,897
Quebec	1,160,840
Ontario	2,465,875
Manitoba	671,183
Saskatchewan	1,274,849
Alberta	1,563,019
British Columbia	321,385

This adds up to approximately 8,371,000 head of cattle in Canada. By and large I think our economic loss was about the same per capita in so far as the number of cattle we had was concerned. The cattle slaughtered because of foot-and-mouth disease numbered 1,343. All those cattle did not have the disease; many had been associated with cattle who had it, or had been exposed to the disease in some way. Out of 8,371,000 head of cattle in Canada we only slaughtered 1,343. I believe that was a small percentage. I must confess, and I am quite sure most people would agree, we made a lot of fuss and created a lot of advertising about the outbreak of foot-and-mouth disease in this country. We hope the outbreak is over, and we think it is; and we have only lost 1,343 head. Really, we advertised it not only in this country but around the world. I think it was advertised far too much.

As I said before, the livestock producers and the people handling livestock products have had the greatest loss as a result of the foot-and-mouth disease. For instance, I am interested in egg production. The production of eggs has been quite high and the price has been comparatively low. Just as a matter of record last week a friend of mine showed me an egg grading slip which was dated April 20, 1935. It was for a small shipment of 13 dozen eggs. According to this slip the extras brought 13 cents and the first grade 11 cents, or a total of $1.52 for the 13 dozen. Taking the same quantity of eggs and the same date this year, April 20, they would have brought $4.26, so we have come a long way in that period of time. I am not saying for a minute that the price of eggs is high enough. I think it was fortunate for the egg producers that there was a floor price under eggs. March and April is the period of the highest production, and if the floor had not been established the price of eggs would have gone even lower. I would suggest to the minister and his officials that, because of the high cost of production of eggs, they revise the floor price to give the producer a fairer margin of profit. I think that is something that should be undertaken all along the line.

In the main, grain production has been fairly good and the price has been fair. Cash field crops have maintained fairly good prices throughout the year. The brightest spot we have in our southwestern Ontario crops is probably the sugar beets. I want to mention them because not many people are interested in the production of sugar beets. In this country we produce sugar beets in four provinces, Ontario, Quebec, Manitoba and Alberta. In 1951 Canada produced 241 million pounds of sugar in these beet factories. Ontario led the field, because last year we had an exceptionally good crop. The two factories that are situated at Chatham and Wallaceburg produced 94 million pounds of sugar and processed 341,991 tons of sugar beets. The sugar content for the entire crop averaged a little over 17 per cent, which is rather exceptional. The two plants in western Ontario processed approximately 5,700 tons of beets a day. During the season they employ over 1,000 people. Last year the growers received something over $5,250,000, and a further payment is still to be made.

This year in the western Ontario district the growers have planted over 30,000 acres of sugar beets. The factories have a capacity for processing approximately 400,000 tons of beets, and it is hoped this year to attain that approximate figure, although the season has been dry and germination is very spotty. At the moment the prospects do not look very good. However, in this country we produce only about one-quarter of the sugar we consume. I often think of the tremendous progress this industry has made since the thirties, when we received only $4 or $5 a ton for sugar beets. In those times it was most difficult to keep the sugar beet industry going. At this time I want to pay tribute to my good friend the hon. member for Lethbridge, who contributed so much to the industry at that time, as well as my good friend the hon. member for Essex South. They have done a great deal to sponsor and maintain the sugar beet industry through these difficult times.

At this time when we are spending so much money on research and expansion, I should like to suggest to the minister that more money be spent on experimentation and the development of greater food crops. This is particularly true with respect to the sugar beet industry, because the sugar content of the beets has steadily increased over the years. In our district 10 per cent used to be a good average, but it has now gone up to close to 17 per cent. Great progress has been made in research at the experimental farm. I think that is the solution to our farm problems. We should grow better crops and improve our understanding how to grow them. The government can contribute a great deal—although it is contributing some, I think a great deal more could be done—in this reseach and experimental work in order to increase production in this country.

Mr. Gardiner: There is a special reason for dealing with one or two of these questions at this time, Mr. Chairman, as some members are going away.

Mr. Brooks: I just want to raise one question, and it will only take a minute or two.

As the minister probably knows, I come from an agricultural constituency, to a great extent mixed farming; but they are chiefly interested in dairying. The producers in my constituency, like those in other parts of Canada, are greatly concerned over the dairy situation. The point I wish to bring before the minister today has to do with feed grain assistance. I understand he made some remarks with regard to that matter last night, but I was not here; I was in committee.

The point the dairy farmers in my constituency raise is the fact that there is not any permanency to this feed grain assistance. They say it is hard for them to make their plans for the future when, from year to year, they never know whether or not this assistance is to be continued. I was wondering whether the government could have some sort of permanent policy so the dairy producers in the maritime provinces would know, from season to season or from year to year, whether this assistance would be on a permanent basis. That is the point that I wish to bring before the minister.

While I am on my feet I might say that I agree with the hon. member for Cape Breton South in many of the remarks he has made. It is not production that is the chief problem for the farmers in the maritime provinces. As the hon. member said, we have a great many abandoned farms. Those farms are not abandoned because we cannot produce; the fact is that we could produce far more in my constituency, and the same is true with regard to most of the other constituencies in the maritime provinces. Our big problem is the question of markets.

Mr. Blackmore: Hear, hear. That is everybody's problem.

Mr. Brooks: Until we get stable markets in this country; until we get stable markets for the farmers of the maritime provinces —and I think this is true with respect to farmers all across Canada—we shall have vacant farms and more vacant farms. I often hear it said that in my own province of New Brunswick we could have a population two or three times as large as we have, both in our towns and in our rural areas, if the products we raise on our farms could be sold at prices which would make it profitable for the farmers to raise them, and make it possible to keep the young people on the farms.

That is the only point I wish to raise at the present time. I should like to ask the minister whether it is at all possible to assure the dairy farmers of the maritime provinces of some permanency in this feed grain assistance.

Mr. Gardiner: Mr. Chairman, what I was going to say was that I have been agreeing to have members rise in their places and speak on individual matters which will come under votes we shall be coming to later on. I do not raise the usual objection to that kind of thing on the general discussion because I take it for granted that hon. members, as we are coming to the end of the session, are desirous of expressing themselves from time to time, and that they will probably be prepared to pass the individual items more readily when we come to them—more readily than has been the case at some other times. I am therefore not insisting that we get done discussing them generally, and get by item No. 1, and wait discussion until we reach the items.

I will review one or two matters that have been raised, with a view to mentioning some other things hon. members probably will want to give thought to, inasmuch as we are drawing toward the close of the session.

First I should like to say a word or two with regard to the suggestions made by the hon. member for Cape Breton South. Since 1943 we have been considering the possibility of bringing down legislation to apply the principle of P.F.R.A. right across Canada. At that time we had a committee of the house which gave careful study to the whole question and recommended that course. On three or four different occasions since that time I have had ready bills to make that procedure a possibility. I also think that hon. members can have as much influence upon the government as I can in connection with a matter of that kind. The subjects that have come up for consideration here from session to session, and to which great importance is attached, are naturally the subjects to which hon. members of the government are giving the most attention. While we have had bills prepared from session to session, we have had little discussion of the question. Little has been said about it. The result has been that the legislation having to do with this subject is passed over to another session. That is one suggestion I should like to make. On a practical problem of that kind, discussion would probably get us a little bit farther than the discussions we have on some other things.

I should say this with regard to the matter. There seems to be a misunderstanding with regard to what happens in the west. P.F.R.A. covers only a small part of western Canada. It covers less than one-third of the three prairies provinces. It does not cover any of British Columbia. It does not cover the northern part of any of the three prairie

provinces. As a matter of fact it covers a small proportion of the province of Manitoba. Those who are living in other parts of Canada should not conclude that P.F.R.A. applies to all of the western provinces. It does not. It applies only to the Palliser triangle to which reference was made last night by the hon. member for Lethbridge.

The other point I should like to make at the moment is that in the maritime provinces we have legislation covering the marshlands, and that legislation was patterned after the legislation we have in the west in connection with P.F.R.A. To the extent that we are spending money on marshlands in the eastern part of Canada, we are doing the same thing there that we are doing in a comparatively small section of western Canada. The officials who have been trained in one area are transferred to the other, back and forth, in order to assist in that work.

So far as most of the farmers in Canada are concerned—and this is true so far as I am concerned personally—I think they would like to see legislation which covers all of Canada. The legislation in the east would require to be different from that in the west. The provisions made for British Columbia would be somewhat different from those made for the prairie provinces. On the prairies our problem is entirely, or almost entirely, a drought problem, a problem of lack of moisture. In British Columbia it is both; on one side of the mountains it is a drought problem; on the other side it is one of too much water. The problem down in the eastern part of Canada is that of salt water coming in on the land. That is not helpful. The objective is to keep it out. Those are all great problems. In this department we have always had the feeling that the whole matter could be dealt with right across Canada, with one staff of engineers, to better advantage than it can be dealt with in ten provinces. Nevertheless up to the present time, under our constitution the responsibility is fundamentally provincial; and it is only in dealing with certain phases of it that the federal government has come into the picture.

With regard to the suggestion that there are vacant lands in the maritime provinces, I may say I am not so familiar with the vacant lands in those provinces as I am with Ontario, although my deputy who is sitting here was born and raised in Nova Scotia. I have visited the area where he was born and raised. I have visited most of the areas in Nova Scotia. I just asked my deputy about the lands where he was born, and he says that they are grassed.

Mr. Quelch: They must be productive lands.

[Mr. Gardiner.]

Mr. Gardiner: That is true of lands in western Ontario; they are grassed. That does not mean that they are not producing. As a matter of fact, grassed land upon which you are pasturing cattle, having regard to the present price of cattle, may be bringing the farmer more money than they would if he were living there and producing crops by hard labour. In other words it requires a little more labour to produce turnips, and all that kind of thing, and feed them to cattle than to grow grass and pasture the land with cattle. To the extent that is being done both in Ontario and in the maritimes the owner of the land may be taking in more money than can be acquired in any other way. I quite agree there are some arguments in favour of having other kinds of production, and I like to see an agricultural area being cultivated and producing as intensively as it possibly can produce. Whether you can have that or not depends somewhat on the further question as to how dense your population is. That density of population, of course, depends upon the development of industry and other matters, and to the extent that the population is there to consume the type of thing, vegetables and small fruits, which would grow on that intensively cultivated piece of land a market can be found. These things all go together and have something to do with the matter.

The other question which was raised had to do with experimental farms, and particularly experimental plots, illustration stations, or experimental stations in different parts of Canada, and particularly in the province of Alberta. There is an area which has been referred to by the hon. member for Vegreville, who comes from that section, which I think personally, along with the hon. member, requires some special attention. There are areas in other parts of Canada that are similarly situated. The soil is of a little different character from the soils in places where we have stations now, and the people are all pretty much of one nationality, having come here from a section of Europe which is very highly agricultural. The conditions being different from those they were accustomed to there is further reason why we should have a station of some kind there. As the hon. member has suggested, we are quite willing at any time to put in what is called an illustration station. One of the reasons for our willingness in that regard is naturally that the cost is not so high.

The suggestion is made that the illustration station is not so useful. I must say that in going across the country I have wondered sometimes whether that is true or not. In travelling across Alberta and Saskatchewan,

and even some of the eastern provinces, I have found our cereals men holding meetings at these little illustration farms, and I have been surprised at the number of people who gathered around listening to the story they were telling. Then I have gone to our experimental farms and I have been surprised at the few times I found anybody there. We have these rather large experimental stations and farms right across the country, and one just wonders sometimes why there are not more people there taking advantage of what can be learned by visiting these places.

On the other hand, when you advertise a class for a certain date at a certain illustration station and have a few of the officials from the department there to give lectures on what this means and what that means, it is surprising the number of people who turn out and examine the rows of grain and walk up and down the rows, and examine the different varieties of cereals that are being produced in those little plots. Then they go home and try to do the same thing themselves, or try to produce in the same way. I would suggest to the hon. member that there is a great deal to be said for the illustration station as a starter at least, even if you are not able to get the experimental farm that is thought to be advisable. At the same time I want to emphasize my own sympathy with the contention that he has made here this afternoon that in that particular area there should be something more than that.

There is no special vote for it in our estimates of this year. There is a general vote for illustration plots which can be enlarged upon somewhat from the small plot, and something along that line could be started this year with the idea that it could be developed into something better. But that is the general position right across the country. Take Beaverlodge, which was mentioned a few moments ago by the hon. member. The first time I went to Beaverlodge, which is up northwest of Edmonton toward the British Columbia boundary, it was just a little better than an illustration station. People were gathered there in a considerable group to listen to the lectures by officials of the department. I happened to be in that section of the country at that time, and I went there. That was probably 15 or 16 years ago now. I was back there two years ago, and I was agreeably surprised—and I emphasize the word "surprised"—to find just how much I had been able to persuade this house to pass by way of votes in order to improve and enlarge upon the plant which is there. It is now quite an important experimental farm, with very much more equipment than I expected to find when I went to visit it, and very much more in the way of buildings. But I would suggest to hon. members that they not be too anxious about getting started at the top. If you cannot get started in any other way than at the bottom, then start at the bottom. Get started, and no doubt as we go along and have experience with it we will be able to do even more than is expected by some.

With respect to the production of sugar beets and other products of that kind on our farm lands, we have specialties of course right across the country, and we do co-operate in every possible way with the provinces in connection with their development. But I have followed the practice while I have been in the department—and I think it is the proper practice to follow—of relying considerably upon the provincial departments of agriculture to give the lead in the agitation for a certain use of land as compared with the use that has been made of it previously. The obvious reason for that is that after all it is the provinces that deal with these people as individual farmers. They have to do with building the roads for them; they have to do with putting in schools for them; they have to do with all the developments that are to take place there. Therefore I hesitate, as Minister of Agriculture for the dominion, to say that people ought to be growing more sugar beets some place, or they ought to be growing tobacco here and corn somewhere else. I think that lead should be given by the provinces; then we can come along and help not only in the further production but in finding markets for the products. We think that we ought to do that to the greatest extent possible.

I was very pleased to hear what has been said with regard to all these products in order that we might be in a better position to assist with them as we go along.

I have been waiting until the leader of the opposition came back to say this to him, and I want to say it now. We had a little discussion this morning about an agreement that was entered into in the early part of the session. I want to say to him that he carried out his agreement with me in every particular. There was no way in which he broke his agreement. The same is true of the leader of the C.C.F. party. The only agreement I got from the leader of the Social Credit party when I made the suggestion was that he waved his hand to me. Well, unfortunately, that does not appear in *Hansard* and there is no reference in *Hansard* to anything he said. The leader of the official opposition said that he was within reason prepared to go along and get this legislation through and, as a matter of fact,

if you look in *Hansard* you will find that we jumped all the different two days' notices that we give from one step to another, and we went completely over into committee. It was in committee that we took up considerable time, but the leaders all agreed to facilitate passage. I knew the leaders did not have an opportunity between the time I was talking to them and the time we came into the house to talk to all their members, or to hold a caucus of their groups or anything of that kind and to tell them. I can understand that some individual members did not know, and that they may have taken up more time than otherwise they would have taken up. But I am simply saying now that I agree with what the leader of the opposition said this morning, that he did carry out any undertaking he gave; and that is true of the leaders of the other groups as well.

Mr. Brooks: The minister did not answer the question I asked him.

Mr. Gardiner: On the question of feed grain freight, I have wondered sometimes why farmers do not take it for granted that, since we have been paying the freight since 1941, we are likely to go on paying it. We are always in the position, no matter how we go about it, that we can change at any time, even if we had legislation which stated that it was continuous until further notice. That is all the legislation does say, as a matter of fact; it can be withdrawn at any time. In the manner in which we are operating now, we go on from year to year. Under the provisions we now have, the government simply say they will continue it until next year, and we pass our estimate for that purpose.

I did announce yesterday when I brought down the estimates that there was in them an amount of $11,125,000 to cover feed grains freight assistance for this year. I am not at all satisfied that I would be able to have any more than that done. The government rather feels that this is something which may require changing from time to time. I have not heard any suggestion that it ought to be cut out, but there has been a suggestion made that perhaps it should be changed.

It has not been changed materially except when freight rates have been changed; we have made some changes in order to bring it into line with changes in freight rates. However, it has gone on now for quite a few years on much the same basis, and I would imagine some special condition would have to arise to bring about a discontinuance of the payments.

Mr. Drew: There is just one matter I wish to make clear in relation to what the Minister of Agriculture said about the agreement that was referred to on an earlier occasion. I think it is necessary to leave no uncertainty as to what the agreement was and as to what was under discussion, in view of certain earlier debate in relation to which the minister and I had some comments to make this morning.

I am very pleased that the minister has without reservation stated that I carried out any undertaking I gave. I do however think there should be more on the record than has already been told. The discussion arose because of a charge that the hon. member for Lake Centre had failed to carry out an agreement. I want to make it clear as to what the agreement was. That agreement was to permit a measure to provide for compensation to those who had lost animals as a result of foot-and-mouth disease to have priority over any other legislation.

The session was just beginning, and ordinarily we would have proceeded with other government business. I was approached and asked what my position would be in regard to the introduction of a measure which would make it possible to deal immediately with compensation. It was pointed out that the passing of such a measure would help to restore confidence among the farmers who were losing animals in this way, and also that it would encourage other farmers to report the disease as quickly as possible, if it appeared, because they would know that there was going to be some provision made for them.

Naturally I agreed immediately to that proposal. There was no undertaking as to length of debate or otherwise. Most certainly there was no suggestion that there would not be adequate discussion of the measure which came before us. *Hansard* will show that this important legislation was dealt with expeditiously. I do wish to say in relation to this that not only was my undertaking as leader of the Progressive Conservative party carried out, but that there was no single member of this party who in any way opposed the adoption of the legislation or who failed to carry out the spirit as well as the letter of that undertaking.

Mr. Gardiner: I am not going to read what took place, because it would take some time to do it; but it bears out pretty much the statement that has been made by the leader of the opposition. Hon. members will find the arrangement that was entered into clearly stated to the House of Commons at page 32 of *Hansard* for this session.

I am simply going to leave it there, and say that anyone who wishes to read what the

understanding was may do so. I spoke, stating what the understanding was. Then the leader of the official opposition spoke very much along the lines he has spoken today. The leader of the C.C.F. followed and stated his position. Then, as I say, my hon. friend the leader of the Social Credit party agreed by a wave of his hand, as much as to say, "Go ahead". And we proceeded from that point to do whatever was required.

I just wish to make it understood that there was some understanding; and my suggestion is that, so far as the groups as such were concerned, they carried it out.

Mr. Drew: Just to tie it in—because it has been the subject of discussion in as well as outside the house, apparently with the purpose of creating the impression that the hon. member for Lake Centre had failed to carry out an undertaking—I wish to make it abundantly clear that when we agree at any time to permit the introduction of legislation in this manner, we certainly do not agree to abandon any opportunity for debate or such discussion of a measure which is introduced as is regarded as appropriate under the circumstances.

I wish to leave no doubt as to the suggestion that the hon. member for Lake Centre in any way impeded the proceedings of the house or failed to carry out any undertaking. I repeat that the hon. member for Lake Centre and all other members of this party fully carried out any undertaking or understanding to which I had been a party.

Mr. Fair: When the legislation dealing with compensation in respect of animals was before the house, I was one of the first members to speak for this group. On that occasion, while I spoke for only a moment or two, I stated that I did not feel any good could be accomplished by prolonging the debate. I believe our actions during the sittings of the committee and since that time have indicated that we have carried out entirely the sign made by our leader, the hon. member for Peace River.

Mr. Gardiner: Before we leave that, and before the leader of the opposition leaves the chamber, I wish to say that I agree with what the leader of the opposition has said, and what others have said. But I am sure the leader of any of the groups would be the first to say that whatever arrangement had been made did not bind individuals. I think those of us who are also individuals in the house will have to be allowed to hold our own opinions with regard to the actions of any individual in relation to the matter. That is the right of other members of the house, as well as the right of those who occupy opposition benches.

Mr. Fair: I agree with the hon. member who has said that if we did not have the opportunity to express our opinions, there would be no use in our coming here. When the day comes that I cannot express my opinion, I shall stay at home.

I understand the hon. member for Vegreville has requested the establishment of an experimental station in his constituency. While I was not in the chamber to hear what he said—I was busy attending to other matters elsewhere—I believe he has made a good suggestion. When the minister is considering it, I would ask him to consider at the same time the request made by the farmers of Derwent district, located 25 miles north of Vermilion. This request was made about two years ago to have not an experimental station but an illustration station established at that point. Quite a number of farmers have asked for it, and they are very interested. Personally, while not farming at the present time, I believe a very good service is being rendered by the department. I should like to see the practice extended. With respect to the P.F.R.A. about which the minister has spoken, I have been one of those who have requested on many occasions that the northerly limit be extended farther north than the present limit of Lloydminster. I should like to know whether the minister can give us some information with respect to that matter.

Mr. Charlton: In all fairness to the hon. member for Lake Centre; even in spite of the fact that the Minister of Agriculture says that what was right and what was wrong has been clearly understood; also in view of the fact that I took some part in that debate, I should like to make it very clear—and it is to be found on page 32 of *Hansard* for March 3 if anybody wants to read it—that the leader of the opposition did not at any time consent to the passage of that bill without discussion. At no time did he do that. He only agreed that the bill be brought in without the necessary notice and that it be proceeded with before proceeding with other orders of business. That was the only consent he gave. The Minister of Agriculture is leaving the impression—

The Deputy Chairman: Order.

Mr. Gardiner: I am not leaving any impression. I have said what I wish to say.

The Deputy Chairman: Order. It seems to me we have had a fairly complete discussion of this question. We are now considering

item 1 of the estimates of the Department of Agriculture. The hon. member is now discussing a procedural matter which occurred several months ago. That discussion has been allowed to go on for a certain length of time, but surely it has been fully covered by now and discussion should cease.

Mr. Charlton: On a question of privilege, Mr. Chairman, the minister is still leaving the impression that the leader of the opposition gave consent that this thing should go on and that the hon. member for Lake Centre went against that and took some considerable time to discuss it. I myself took some time to discuss it, but I still contend that none of those who took time to discuss that question in the house went against any remarks the leader of the opposition made. I want to read the remarks he made at that time.

Some hon. Members: Order.

Mr. Charlton: This is what the leader of the opposition said:

> Mr. Speaker, this is somewhat unusual procedure, but the request relates to a very unusual situation, and I am happy to agree that we proceed in the manner that has been suggested. My remarks, of course, do not cover the contents of the bill, but simply the request that this matter be dealt with now. In saying that my remarks do not cover the contents of the bill, naturally I am not attempting in any way to limit the discussion of its contents, which actually are not yet before hon. members. I welcome the fact that a measure which is designed to meet a very serious situation, and to restore confidence in the area affected, does come before the house so soon.

That should be quite plain.

Mr. Fulton: I want to say a few words, first of all on the subject of the Prairie Farm Rehabilitation Act and the question of its extension to other parts of Canada besides the three prairie provinces. I shall be brief and very general at this stage because I want to ask one or two specific questions when we come to the particular item in the estimates. However, with respect to the general aspect of the matter I think the minister will agree with me when I say that I have on a number of occasions, urged—and indeed supported the suggestion of the minister—that there be an extension of the act so that it might have general application to the whole of Canada, as he has himself suggested this afternoon.

I recall an occasion in 1947 when it was understood, or at any rate, certainly it was very strongly hoped, that legislation extending the act would be introduced. My recollection is that the proposal at that time was to have two separate bills, one extending it westward to British Columbia and another making it of application in the eastern part of Canada. I have never ceased to hold the view that the general provisions of the act should be extended so that instead of prairie farm rehabilitation engineers being called upon to go into our province, as at present, only when certain specific local projects arise, or only when specific requests are received from provincial authorities, they might take part, in co-operation with the provincial authorities it is true, in a general study of all problems of water conservation and land reclamation as well as irrigation which the minister has said vary so widely from area to area in our province.

I have been particularly interested in the question of a general study of the joint problems of irrigation, flood control and power development in the Fraser river system where all these three problems exist, and in the lower reaches of the Fraser where the problems of reclamation and diking exist. I have urged and still urge that, although a study is now going forward on that matter, there should be a clearer definition of the federal authority under which that study is going forward. While I have the highest admiration and respect for both the dominion and provincial officials who are taking part in the study, and while I know they are making all the progress they can with the resources at their disposal, my feeling is there could be a greater drive and sense of urgency from the top. It is my feeling that at the present time there is not that sense of urgency and push behind the thing from this level that perhaps there might be. That drive from above is one of the things which I think would result if an act were passed making the principles of the prairie farm rehabilitation administration of general application to the whole of Canada.

While I do not necessarily say I will wait until he himself brings it forward, I want to assure the minister that if at any time he does bring forward such a proposal he can count on my immediate and full support. I hope indeed that he and the government as a whole will take these remarks as an indication from me that I think this matter should be proceeded with now. My recollection is that the last time we discussed the matter on the minister's estimates he told me that it had been his intention, as I think he said today, every year since 1947 to bring in bills along the lines of those which he discussed, but I think it was in 1950 or 1951 when he told me that because of the sudden way in which defence requirements had taken priority it had been decided that, temporarily, it would not be possible to proceed with that policy. My recollection again is that he assured me in reply to a question that I was correct in assuming this was only a temporary postponement.

Mr. Gardiner: That is right.

Mr. Fulton: I am sure we can give those words their literal interpretation. While I realize that defence requirements and the priority of defence expenditure still exist, nevertheless I hope we will not be compelled to defer too long our hope that the project can be proceeded with. If the minister is in a position at this time to give us any general outline of what the position is with respect to the relationship between defence priority and this type of project, I think it would be very helpful.

Then, Mr. Chairman, at this time I would like to ask the minister a question or two with relation to the support price policy for beef which he announced recently as a result of the closing of the United States market to our cattle. I ask these questions at this time because I have to say that my correspondence and conversations with the minister and some of his officials have not yet produced an answer to these questions satisfactory to myself or to the B.C. beef cattle growers association who have their head office in my constituency. The questions relate to the specific application of the price support program to cattle originating in British Columbia.

It has been drawn to my attention that as a result of personal interviews by the manager of one of our largest cattle ranches—as a matter of fact the largest in Canada—as a result of his personal views with the officials of the packing plants operating in the city of Vancouver he was advised they had no instructions from the department as to any support price policy for beef originating in and marketed in British Columbia. They had instructions with respect to the handling of beef marketed in British Columbia but originating in provinces other than British Columbia, but they had no instructions with regard to British Columbia beef. Indeed they indicated to this gentleman that as far as they were concerned the lack of such instructions from the department indicated that there was no support price program for beef originating in British Columbia, and so the association asked me to take this matter up and find out why that should be the case.

When I discussed it with the deputy minister and later with the minister it was indicated to me that one reason is that British Columbia is a deficiency province; that is, it does not produce all the beef which we ourselves consume, and further, that Vancouver market prices are well over the floor price which would apply under the support program and therefore there did not seem to be any practical reason why instructions should be issued at this time as to how to apply price support to British Columbia beef.

Well, Mr. Chairman, it has been indicated to me quite clearly by the B.C. beef cattle growers association that they do not regard that as a satisfactory answer. One of the reasons they are not satisfied, as pointed out by the secretary of the association in a letter to the deputy minister, a copy of which I have received, is that it has been their experience that—

> . . . unless the machinery is set up beforehand there are always delays in putting a scheme like price support into effect when it is needed.

That answer relates to the statements which have been made by the departmental officials that there is no need for such instructions to be issued at this time because British Columbia prices are well above the floor. The concern of our cattlemen is that although that is true at the present time, nevertheless our cattle will be moving on to the market from the grass in increasing numbers toward the end of this month, and from then on in increasing numbers through the rest of the year. Should any surplus on the market occur as a result of the American embargo, or as a result of some difficulty developing in the four-way meat deal between Canada, the United States, New Zealand and Great Britain, then a support price would be an immediate necessity in British Columbia.

It was relating to that statement by the department and from a practical point of view that they say:

> . . . we have always found that, unless the machinery is set up beforehand there are always delays in putting a scheme like price support into effect when it is needed.

Other reasons they advance as to why there should be instructions issued now to packers in British Columbia may be found in this passage of the letter from the secretary to the deputy minister:

> Although marketing on the Vancouver yards has increased lately such marketing is still confined to smaller shipments and does not reflect the bulk of sales of the better cattle. These are bought at country shipping points by the packer buyers. In most cases the B.C. livestock producers' co-operative association has a salesman there to act for producers. In many ways the average of prices at these shipping points is a truer reflection of cattle prices in British Columbia than the Vancouver yards, operated by the same co-operative.

The point there, which I am sure the minister and his officials will appreciate, is that the department has been relying, in their answers to the association, on the prices quoted at the Vancouver yards. The fact is that, from now on particularly, the bulk of the buying in British Columbia, as our own cattle come on the market, will be done at the interior points of origin of the cattle and not

on the Vancouver market. The prices there may not necessarily be the same as Vancouver prices. Therefore unless support price instructions are issued to the packers so that their buyers will know how it operates and will clearly understand that support prices do apply in British Columbia, these packer buyers may feel free to try to buy cattle at the interior points at less than the floor price.

Then the letter goes on to say:

. . . you say that you are asking the board . . .

That is the agricultural prices support board.

. . . to review the question of purchase of cattle originating in B.C. This association is in full accord with the sense of that paragraph, and it is in fact the nub of our contention that when British Columbia cattle of the specified grades and weights are available they should be eligible for support board purchase; otherwise, the packers will not be interested in them. Within the next thirty days...

This letter is dated June 20.

. . . we shall be moving dry cows and heifers, many of which will come within the specifications. Most of these will be offered at country points. For this reason I trust that the board will soon accept carcasses of cattle originating in B.C. on the same basis as from other provinces.

The letter goes on to pay a compliment and I think I should read this as well:

Your department is to be congratulated on arranging the exchange plan between Canada, New Zealand, United States and Great Britain. I believe that favourable comment on this would have been made at our annual meeting had it not been that producers in this province appeared to be specifically excluded from participation.

Mr. Chairman, I hope that the minister will now say that, although it may have been the situation perhaps up to the present that prices in B.C. generally have been above the floor, nevertheless because this matter is of such great concern to our producers, and in the light of the arguments advanced by them, there is no reason why he should not issue instructions to the packers in British Columbia making it clear that beef support prices apply to beef originating in our province just as they apply to beef originating in other provinces. That should be made clear to the packers.

Before I take my seat I want to refer to one other thing mentioned this afternoon. It is the matter of experimental farms. I want to express the appreciation of the cattle growers of British Columbia, particularly in my district, for the re-establishment in the last five or six years of a range experimental station and the establishment of the experimental farm at Kamloops. What the minister said with respect to finding that a relatively small number of people go to those experimental stations for instruction on what is going on, may apply elsewhere but it has not been my impression with respect to the establishment in Kamloops. Certainly it has been my impression that the cattle growers of our district are interested in this problem generally and are very appreciative of the good work being done by the staff of that range station and farm. If the situation which the minister outlines is of general application then I shall be very glad indeed to discuss it with the association and see if there cannot be found ways to make them aware, and to make all their members aware of what goes on there and of the value to them of actually going for consultation and visits to that farm.

I want to assure the minister that the cattle growers in my area appreciate what is done there and would not want him or any of his officials to have the impression that they regard it only as of passing interest. I know they appreciate it and I shall certainly try to see, if it is the case that there have not been many who visit and take advantage of the services available, that the situation is rectified in the future.

Mr. Gardiner: In view of the fact that the hon. member has raised this question, which I am sure is in the minds of a number of members, and has stated it in relation to an area which has been the last to benefit by what has developed in connection with the arrangements with Britain and New Zealand, perhaps I should deal with the matter at this time. In introducing the estimates yesterday I said that our main problem in connection with the marketing of products this year has developed from the fact that we had foot-and-mouth disease, and the adjustments that had to be made as a result of that. I believe it is quite proper to say that there would not have been any floor price under cattle or beef if it had not been for that epidemic.

The question that was being discussed all across Canada prior to that was whether we should not have a ceiling price. The consumers were very much worked up over the fact that prices were so high during 1951 and were continuing at that level in 1952. If there was any agitation for anything, it was for the control of that situation. But as soon as we had foot-and-mouth disease the price dropped. If the governments had not done anything—I take into account both provincial governments and the federal government —there is very little doubt in my mind that the price of cattle would have gone down to 15 cents or perhaps 10 cents a pound. When you throw on the market a quarter of the product which had been sold outside the country, and say there is no place it can be

sold except in this country, that can have only one result and that is to push the price down.

I have noticed some criticism, which I am sure none of the members of this house would agree with, in some articles that have been written across the country to the effect that we should have allowed that to happen. The producer had benefited so long from higher prices, the consumer should have been permitted to get the advantage of lower prices for a while. I do not believe there has been much support for that idea, either amongst the consumers or any other body of people.

Mr. Fulton: The farmer was just beginning to enjoy prices which enabled him to live at a standard comparable to the rest of the country.

Mr. Gardiner: It was quite strongly expressed for a short time. We took the position that we should put a floor under cattle and we should offer to buy. We set the price at 25 cents a pound for good steers, but we did not expect the price would remain at that level for any great length of time, although we did expect we might buy some at that price. We not only established the price at 25 cents; we established at different points prices we would pay for beef based upon that 25 cents. In other words there was a floor set at Winnipeg, at Regina, at Saskatoon, at Calgary, at Edmonton and at Vancouver, as well as at eastern points.

The provinces took certain actions which, for a time, made it impossible for the floor price to operate freely. When we made arrangements with Britain, New Zealand and the United States to make possible the marketing of the surplus from this country, we did make the provision that we were prepared to buy anywhere at a price for meat which would bear the proper relationship to the 25 cents for good steers. There was a period—it might have been a week or two weeks, I have not looked up the records —when we were only buying meat from Alberta and Ontario. The fundamental reason for that was that the storages in those two places were filled to the roof. Farmers could not get their animals in at all, or when they did get them into the yard they got a much lower price than they should have received because the packers had no room in the storage plants. We took action just as fast as possible, and it was in those two markets that most of the heavy cattle were to be found. They had been prepared for the United States market. There was no considerable market in this country for that heavy beef, so we went into Alberta and Ontario and bought those heavy steers first. This accounts for the fact that we set a certain weight level below which we would not buy for a time. We advised holding other weights at home.

Then when we got rid of that we expressed our willingness to buy in other places. We did not buy in Manitoba until that province removed its controls. We did not buy very much in British Columbia until British Columbia took off its controls. In the press today I noted the suggestion that Quebec is now removing its controls. Well, that causes me to say that we have not forced anybody to take off controls. We took the position we were able to accomplish what we had in mind without using that legal right, which we may have had, to force people to do certain things. We went along, and eventually they have found it to advantage to come along with us, so they came along.

Now, in so far as British Columbia is concerned, I think about the time this letter was written, to which reference has been made, instructions were given to the packers in Vancouver to buy meat for delivery under the British arrangement. My understanding is that a considerable part of the product which is being killed in Vancouver now is going out through the Panama canal to Britain under that arrangement. This, of course, was expected from the beginning, and did come into operation in due course.

With regard to the buying of live animals, I may say that we have bought very few live animals. In Alberta they have a system under which they have operated for a good number of years. Under this system they have auctions throughout the province, and the farmers bring their cattle in to the auctions. Other farmers come there to buy cattle. Farmers who have too many cattle for their grass supply, sell; farmers who have more grass than they have cattle, buy. This system was utilized in Alberta this year. To make cattle available we were prepared to buy them at those sales. We did not have to buy very many. There was only one other province in which it became advisable to encourage the same kind of thing, and that was due largely to the difficulties we had in getting meat out of that province. That was the province in which the disease was found.

We put on some auction sales there, and we did buy a few cattle. Our intention was to put those cattle on pastures, if necessary. I do not think we got any on the pastures. I have heard of one bull that we got on the pasture, but I do not think we got any other cattle on the pasture. We bought some cattle at these sales, but before we got them

away from the yards some farmer came along and took them to his pasture at a little higher price, or some packer came along and bought them if they were fit for killing. We got rid of them in that way, so we did not actually get any on these pastures, so far as I know. I say that here to give some publicity to it because of the criticism I heard the other day. Some Ontario farmer who was purchasing livestock made the remark, "What kind of market are we going to have this fall when the government has put 10,000 cattle on pasture out west, and will bring them on the market?"

That could have happened, but it did not happen. We agreed to buy the cattle. We did not get them. We have not been getting cattle largely because of the fact that we had the British agreement, and the meat has been moving. Instead of getting cattle, we are getting meat. That meat is going out of the country from day to day and is being disposed of. It is therefore quite proper to say that the offer is made to buy meat at floor prices at the Vancouver plant, the same as it is at other plants. I think now that probably is true at all plants right across the country; the offer is there to buy.

The fact is that we are not getting much right now. We cleared the markets in the few weeks down to the point where we are not getting much right now. This is the time of the year when we hope we do not get much. After all there is a certain amount of stored meat that still has to be sold on this market, in addition to the meat that is being sold over in the old land. We hope to get our storages cleared down to as low a level as possible before the rush of cattle starts to come in toward the end of September, on into October and for the remaining months of the year. We are therefore not overly anxious to have cattle brought into the plants or to the government at present. The farmers also are not overly anxious to bring them in, and they do not do so.

To come to our friends at Kamloops, may I say there is nothing in the world to prevent the farmers at Kamloops from doing the same thing the farmers in Alberta did. Probably there is nothing in the world to prevent this government from doing the same thing there as they did at a number of points in Saskatchewan. If they feel inclined to do so, the farmers themselves can put on an auction. If they do so, I am quite sure the government would not hesitate to put in a buyer at that auction, as I think they have done in the last week, under some pressure, at Lloydminster, where they would buy, I presume, from either side of the provincial boundary line. But that plant at Lloydminster is privately owned and operated. They have asked to have a government buyer sent there in order to offer to buy live animals at that market, the same as is done at other auctions.

I think that could be arranged at Kamloops. I do not know of any reason why it could not be arranged. It could be arranged either with government support or without it. The fact that we are prepared to buy meat at a floor price down at Vancouver means that they have established for them the floor price at which the animals can be sold in Kamloops, shipped down to Vancouver and slaughtered. We will take the meat there at the floor price. There is nothing to prevent people in any part of British Columbia from organizing themselves and getting that done, just as they have organized in other provinces to have it done in their own way and under the system they are accustomed to.

I do not think I need to say anything more in order to indicate that we are attempting at least to have the same set-up right across the country and to co-operate with those who have animals to sell in order to see to it that the prices are about the same. I think the best indication that we are successful is to be found in the newspaper reports of the markets. I consult the papers every morning when I come to my office. I find that the markets are a little bit above the floor right from one end of Canada to the other, and considerably above the floor for the higher qualities of beef. I think that means that the Canadian public is prepared to bid a higher price for the choice beef than they are prepared to bid for some of the lower grades of beef that are being shipped to other markets. It seems to indicate that we in this country prefer the choicer cuts. We are probably paying 28 to 29 cents now for choice steers whereas a short time ago we could not get better than 24 or 25 cents.

Mr. Fulton: From the minister's answer do I understand that instructions have now been issued to the packers operating in British Columbia as to how they should apply the support price to cattle originating in the province and offered to them for sale, whether it be for domestic marketing or for shipment under the four-way meat deal?

Mr. Gardiner: What actually happens is this. The only thing we buy is for the four-way meat deal. But the fact that we pay the floor price for that meat makes it impossible for anybody to get anything there at any lower price than the one we pay. We buy all the surplus that is there at that price.

That order has gone to those packing plants just the same as it has gone to every other packing plant in Canada.

Mr. Fulton: With respect to cattle originating in British Columbia?

Mr. Gardiner: Yes; with respect to cattle originating in British Columbia or no matter where they originate. As long as the cattle are slaughtered in that plant we are prepared to buy the surplus beef at the floor price. If somebody else comes along and offers more, of course we do not get them, and that meat either stays on the British Columbia market or it could be shipped back further into Canada; but I venture to say that most of it stays on that market.

Mr. Fulton: Just in conclusion may I say the point I was concerned about was my information that with respect to cattle originating in Alberta and Ontario and marketed in British Columbia, the instructions were clear as to how the support price was to be applied; but with respect to cattle originating in British Columbia and marketed in British Columbia the packers had no instructions and were under the impression, according to their advice to the gentleman I have spoken about already, that the lack of instructions must mean they did not have any floor price to apply in British Columbia. If the minister's answer to me is that instructions have now been issued to packers operating in British Columbia in such form that it is clear to them that the support price does apply in British Columbia with respect to cattle originating there and marketed locally as well as to those marketed or bought for the United Kingdom-New Zealand agreement, then I think that will deal with the situation. But I wanted to have it clear from the minister's answer that those instructions have now been issued.

Mr. Gardiner: My understanding is that there were never any other instructions issued. But I cannot be responsible for the stories that some buyers of cattle may circulate in British Columbia or anywhere else.

Mr. Fulton: Mr. Chairman, that is not what I said. I said that this gentleman visited at least five packing plants in British Columbia and spoke to their officials, and that was the information given him by all five.

Mr. Gardiner: I am not denying that. All I am saying to the hon. member now is that I cannot follow all of those who may be interested in buying cattle at a lower price for any organization that is slaughtering cattle, whether it is a packing plant or whatever it may be. But the fact is that in every packing plant in this country there is a standing order to buy beef at the floor price; and there is no line drawn between what is marketed locally and what is marketed through the British contract. We have a standing agreement to buy. If, by some means or other, somebody is talking some people into selling them at a lower rate, I cannot be responsible for that.

Mr. Fulton: The weights and classifications which were issued to the packers, according to this information, covered only cattle originating in Alberta and Ontario. The minister himself has referred to this question of the weights which the department indicated they were prepared to support because they were concerned with those animals which had been prepared for the United States market; and it was those weights which they covered first. As I say, the packers had instructions with regard to those weights but only with respect to animals originating in Alberta and Ontario. Up to the time of my last letter, which was dated June 20, corresponding instructions with regard to animals of comparable weights originating in British Columbia had not been received at the packing plants there.

Mr. Gardiner: What I mean by saying it has been true from the beginning is this. It has been true from the beginning of the period when the embargo was removed by British Columbia. We certainly did not go into British Columbia to buy meat at a time when they said they would not take cattle out of Alberta, or they would not take cattle from somewhere else. We said, "We will go in there and buy the meat from cattle brought in and slaughtered." During that period I am sure my hon. friend would not be interested in what happened because their cattle were selling—

Mr. Fulton: The embargo has been removed since the beginning of June or earlier; but the situation I refer to—the absence of instructions—applied, as I say, up to at least June 20.

Mr. Gardiner: Let us say that it does not apply now and it has not applied for some time.

Mr. Fulton: If the minister is making the statement that instructions have now been issued, then he has answered my question. I am sorry it has taken us so long to arrive at that point.

An hon. Member: We are all sorry.

Mr. Riley: In reply to a suggestion made by the hon. member for Cape Breton South

with respect to the extension of the principle of the Prairie Farm Rehabilitation Act, the minister mentioned the Maritime Marshland Rehabilitation Act. I know this comes under another item in the estimates, but I have to be away for a couple of days next week and I thought perhaps I would miss the item when it came up.

Since I come from a district which has received benefit in a material way from this act I think I should congratulate the minister and the officials of his department who are administering the act on behalf of the residents of Albert county in my constituency who are benefiting. At the same time I should like to know whether the minister can give me any assurance that the project which has been suggested, namely that of damming the Shepody river in Albert county, which will result in the reclamation of some thousands of acres of good farm land and give a somewhat better development to many more thousands of acres, will receive the real consideration of the minister and the officials of his department in the early future.

Mr. Laing: I was wondering whether we could revert from the maritimes back to Vancouver beef. I was surprised to hear criticism of the arrangements that have been made by the interdepartmental committee, particularly with respect to the province of British Columbia. If there is one province or one particular area in which the interdepartmental committee, which is an excellent committee, has done work it is in my own province of British Columbia. There was for a period of some two days no provision for packers in the Vancouver area to kill the heavy meat out of Alberta, but that was corrected by the committee. A man named Mr. Hall of the Department of Trade and Commerce took up immediately with the shipping companies out of the port of Vancouver the question of providing reefer space via the canal, and the matter of rates; and Mr. Evans of the Furness Withy line and the Vancouver secretary of the Pacific conference took up with the shippers the matter of bringing in a rate that would give shipments out of Alberta to Vancouver via the canal a comparable position with reefer car shipments to Montreal and then reefer shipments across the Atlantic.

As a result of the efforts of that committee and the co-operation of the shipping companies we are in a position where Vancouver today has the advantage of 70 cents per hundred. The result is that one packer alone picked up 2,700 heavies, and I believe he raised the price by going into that market and picking them up in that way. We are very well pleased in the province of British Columbia. We are customarily buyers of large quantities of Alberta meat, and I think most of the people in British Columbia realize that the most severe situation at that time existed in the provinces of Saskatchewan and Alberta. Our response in taking meat out, whether going east or west, relieved the situation in those provinces, and I think this is one of the best jobs the government has ever done. We could have had utter chaos in the meat business if that were not done.

I am going to say this. Notwithstanding the fact that I come from a riding and represent a people where there are no cows or chickens at all, I realize that the thing that keeps this country together is workingmen's wages plus the annual crop on Canadian farms, the cash crop. If these can be kept in proper balance and proper relationship one to the other we will have good times in this country. If either fails we will not have good times. I think the department's work in this matter of marketing and sustaining the prices of meat in Canada until the United States market is open again should be praised by everyone in this House of Commons, not only those from those areas which are producing meat in vast quantities but from all of British Columbia, because the economy of one part depends upon the economy of all. We particularly in British Columbia, I repeat, have been admirably well treated by this interdepartmental committee and the officials down here.

Mr. Bryce: I want to ask the minister a question to clear my own thinking, because I have had a few letters recently in regard to freight assistance. I wrote back what I thought was right. I am now beginning to wonder whether I really was right. I thought that whoever was getting grain by way of purchase at the head of the lakes paid approximately $6 a ton freight on it, and then the government paid the rest of the assistance. I should like the minister to tell me whether I am right or wrong. If I am wrong, will the minister be good enough to put the regulations on *Hansard*, then I shall look over my correspondence and correct the mistakes I have made.

Mr. Gardiner: That is approximately so. It is as near to the exact thing as can be stated. What the hon. member has said to those who have written to him is correct. As I understand it, the freight is paid by the person who ships grain out in western Canada. The freight down to Fort William on the grain is charged against him. Then the government pays the freight from Fort William

to the central point in the east from which it is distributed to farmers in the different areas to which it is shipped. It may not work out at our paying exactly all the freight, but it works out very closely to that.

Mr. Bryce: The point I want to clear up is this. The man or the company getting the grain in Montreal, in Newfoundland or in Prince Edward Island, pays only approximately $6 a ton, and the government pays the rest?

Mr. Gardiner: No; we are presumed to be paying the freight from Fort William east to the point from which it is distributed locally. We do not pay the local freight. That is different.

Mr. Bryce: Just at the main point?

Mr. Gardiner: But we only pay it provided we are satisfied that the feeder of the grain gets the benefit. If it is demonstrated to us that the person who is handling the grain gets the benefit, that he does not pass it on, we would refuse to pay. The intention of the whole policy is that the freight assistance is given to the feeder of the grain, not to anybody who is handling in between or anyone in that position. The intention is that we pay the freight from Fort William to the distribution point, let us say Montreal or Toronto or dfferent points in Ontario and Quebec, and the same applies to the maritimes.

Mr. Wright: I wish to commend the minister on the policy he established in setting up auctions in the province of Saskatchewan to purchase cattle. Some time during the discussion I should like the minister to give us the points at which these sales are made or where the auction points were established, and the numbers and grades of cattle purchased at them. The minister may not have the information now, but he can give it sometime later.

Mr. Gardiner: So far as I know there are four points up to the present time, Yorkton, Prince Albert, Battleford and Lloydminster. The committee is under instructions to set up the organization whenever it can be properly set up. That requires weighing facilities and everything that is necessary in connection with the handling of stock under those circumstances. But an application would have to be made in the first place. Our arrangement is with the livestock branch of the Saskatchewan pool. They have been authorized to put them in wherever the facilities are available, and where they can put them in.

Mr. Catherwood: Mr. Chairman, I think the discussion yesterday and this afternoon, since the estimates of this department have been before the committee, has been most profitable. Indeed, this has been the most interesting discussion on agriculture generally since I have come to parliament. Hon. members appreciate the fact, Mr. Chairman, that you have given them considerable leeway by way of permitting a free discussion of their problems on this item.

Agriculture is a vital industry in Canada. I would ask permission to speak for two or three moments to place before the minister some thoughts that have occurred to me. Yesterday and today the position of agriculture in Canada has been fully discussed, and we have heard reference to the number of abandoned farms, particularly in the maritime provinces. I might add that this situation also applies, to a certain extent, in that part of Ontario from which I come. To my mind, however, it is not so much a matter of abandoned farms as the condition of those farms across the country. When our United States friends come to visit us in Ontario, they are unfavourably impressed by the unpainted buildings and the fact that the condition of our farms is not what it should be. I believe the same can be said of the condition we find as we travel across the country.

The farmer offers perhaps the greatest single market in this country for industrial production; no one will question that statement. If a farmer has an income of $5,000 or $6,000 a year, he will spend it. If he needs additional equipment, if he must make extensive repairs, he will spend the money on it. Hon. members can depend upon it that if the farmer has money, he will spend it for needed supplies. It was suggested this afternoon by the hon. member for Melfort that cost of feed constitutes an important item in the economy of agriculture. There can be no doubt as to the truth of that statement. It is my view that at its central experimental station the department might give greater and more serious consideration to these feed costs. With the farm prices beginning to come down, as compared with what they were, farmers now find that costs of operation are more burdensome. I trust that this fact will have the serious consideration of the government.

Then this afternoon the minister referred to agricultural prices support. I was pleased to listen to the discussion, and to have the minister's explanation. The Agricultural Prices Support Act was passed in 1944. Hon. members will be surprised to learn the small amount of money spent for this purpose.

Figures show that from 1944 until March of 1951 less than $10 million has been spent for the support of agricultural prices. I agree with the minister's statement that there may be some people in the country who are opposed to the support of agricultural prices. I believe it can be said, however, that speaking generally people throughout the country, including our urban friends, now realize the importance of agriculture to the economy of this country, and are willing to have this important industry get a square deal. I trust the minister will give serious consideration to the matter of price support whenever occasion arises.

Anyone who voices criticism of the amounts spent for the support of agricultural prices in this country will be interested to know what this same process has cost the United States government. From a percentage standpoint, price support for the products of Canadian farms amounted to only one-seventh of one per cent of the national income, up to March 31, 1951. On the other hand 12 per cent has been paid out of the coffers of our American friends for a similar purpose. This is a most significant figure, and will be of particular interest to our urban friends who are now beginning to realize the importance of agriculture in our economy. It will be clear to them at once that, on this comparative basis, the support of agricultural prices has not cost this country anything like the amount of money some people had believed.

Those are the only two comments I wished to make at this time. I have further questions to ask, but I shall be content to ask them when the items are called. I would impress upon hon. members the fact that agriculture is the one industry in Canada that must have support. The Agricultural Prices Support Act is there for that purpose and, in the light of the figures I have indicated, no one can criticize the amount of money that has been spent or may be spent in the future for this purpose.

Item stands.

At six o'clock the Speaker resumed the chair and the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

GERM WARFARE

STATEMENTS OF DR. ENDICOTT—ANSWER OF CERTAIN CANADIAN ENTOMOLOGISTS

Hon. Stuart S. Garson (Minister of Justice): Mr. Speaker, if I might revert to motions I should like to make a statement.

[Mr. Catherwood.]

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Garson: I should like to make a supplementary statement concerning Dr. James Endicott. The Secretary of State for External Affairs (Mr. Pearson), to whom it was first sent, has forwarded to me a convincing rebuttal of Dr. Endicott's libellous and false charges that the United States has been guilty of bacteriological warfare in Korea and northeast China. It is the work of three distinguished Canadian entomologists, namely, Dr. W. H. Brittain, F.R.S.C., F.A.I., vice-principal, dean of faculty and professor of entomology, Macdonald college, McGill university; Dr A. W. Baker, B.S.A., head of the department of entomology and zoology of the Ontario agricultural college, and Dr. C. E. Atwood, M.S.A., professor of zoology, university of Toronto.

When, on Wednesday last, in replying to questions previously asked by members of the opposition concerning Dr. Endicott, I justified the government's policy in relation to him in part upon the principles of freedom of speech and freedom of the press, I did not expect that there would be available within four days a clear vindication of these principles.

None of these scientists is in the employ of the federal government. As free men in a free society, without any sort of government compulsion, direction or inspiration, they have, upon their own initiative, produced this reply to Dr. Endicott's untruths concerning bacteriological warfare and, having produced it, turned it over at once to the parliament and the government of their country.

The statement of Drs. Brittain, Baker and Atwood is so important a contribution to this bacteriological warfare question that I propose to lay it upon the table with sufficient copies to supply all of the members of the house and the press gallery.

PRIVATE BILLS

On the order:

House again in committee on Bill No. 62, intituled: An act to incorporate Boundary Pipeline Corporation.—(As amended).—Mr. Larson.

Mr. F. H. Larson (Kindersley): Mr. Speaker, Bill No. 62, an act to incorporate Boundary Pipeline Corporation, is very contentious. I assume that orders 19 to 90 on the order paper are more or less non-contentious, and with the unanimous consent of the house I would be prepared to allow Bill No. 62 to stand until orders 19 to 90 inclusive have been dealt with.

Some hon. Members: Agreed.

Order stands.

On the order:

House in committee on Bill No. 364, intituled: An act to incorporate the Canadian Shipowners Mutual Assurance Association.—(Without amendment).—Mr. Macnaughton.

Mr. Deputy Speaker: Is it the pleasure of the house that all these bills that are to be studied in committee be referred to the committee in one motion?

Some hon. Members: Agreed.

Mr. Sinclair: This bill has been to the committee.

Mr. Knowles: No, it has not. The sponsor is over here.

Mr. Sinclair: I meant to the standing committee.

Mr. Deputy Speaker: The order is for the house to resolve itself into committee of the whole upon orders 19 to 90 inclusive on the order paper under standing order 110.

CANADIAN SHIPOWNERS MUTUAL ASSURANCE ASSOCIATION

The house in committee on Bill No. 364, to incorporate the Canadian Shipowners Mutual Assurance Association—Mr. Macnaughton—Mr. Beaudoin in the chair.

The Chairman: We shall first study Bill No. 364, to incorporate the Canadian Shipowners Mutual Assurance Association. This bill has been considered by the standing committee on banking and commerce and has been reported without amendment.

On section 1—*Incorporation.*

Mr. Green: It is my understanding that this bill is supposed to fit in with the measure passed by the house within the last day or two providing for war risks insurance. Will the sponsor explain to the committee the manner in which the operation will be carried out so the two bills will work together?

Mr. Macnaughton: The bill under consideration is a private bill for the purpose of forming together the ship owners in Canada who wish to carry insurance on their ships on the high seas against certain war risks. Under normal conditions the marine insurance companies of course issue policies on ships, but when we encounter a state of war or, for that matter, even when we run into conditions of banditry or agitation such as we had on the Suez canal a few months ago, or riot, insurrection, rebellion or anything else of that kind, there is no coverage for the owners of ships. Consequently over 150 years ago, in the early 1800's groups of ship owners in England gathered together and formed associations or clubs through which, in return for a small premium, they shared the risks on the various ships under insurance among all ship owners.

During the first and second world wars, there being no possibility of Canadian ship owners having that type of insurance in Canada, our ship owners were obliged to go to the United States or the United Kingdom and insure with one of these clubs or associations. It is a matter of pride that the Canadian marine fraternity are now strong enough and numerous enough and have enough insurable value to form their own club or association, and that they are proposing to do by means of this bill. The bill simply means that in the event of war risks arising or in the event of a state of war coming into existence, ship owners may insure their ships on a mutual basis through this club or association in return for a reasonable premium. The risks are shared by all the ship owners who are members of the association. In turn, inasmuch as a state of war is considered an unnatural state as compared to a peaceful state, it is felt that during wartime it is proper for the government to step in and carry some of the risk for ship owners who may be sailing their ships from one port to another. As I have said, the risks during wartime are unnatural and consequently to cover these risks the government had to set up its own reinsurance scheme, which it did in virtue of Bill No. 336 which was passed here some two or three weeks ago.

In virtue of that bill the government sets aside in the consolidated revenue fund a certain sum against which any charges would be made and from which any payments would come. These unnatural risks which are technically called "queen's enemy risks" are, for example, the following: danger from submarines, from bombing, from mines, from shelling by enemy ships, and from capture by enemy ships. Those particular unnatural risks are covered by the government reinsurance plan. Other extraordinary risks such as attack by pirates, bandits, damage through agitators, riot, insurrection and rebellion would be insured through this association.

I do not know what further details you would like.

Mr. Green: Apparently the shipping companies will have to pay a certain premium?

Mr. Macnaughton: That is right.

Mr. Green: I suppose this association would be responsible for a proportion of any loss, or is it a fact that the bulk of the loss would be borne by the government? I do not just understand how the losses are to be shared.

Mr. Macnaughton: The capital set-up, if I can describe it as such, is fairly simple. Each

ship owner who insures a ship with the association pays a certain premium to the association depending on the value. Let us say for the sake of argument that it is 25 cents per hundred dollars—and my figures are imaginary—of that 25 cents perhaps 5 cents would remain with the association. The difference would go to the government under their reinsurance scheme. It is felt that the annual premiums paid by the various ship owners insured with this club are sufficient to start the association off; then if it is not sufficient, if there were a major loss in the first year for example, members would be prorated for their portion of the loss suffered by one of their members. In other words, it is a straight mutual insurance scheme.

A canvass of ship owners recently made indicated that insurable value to at least $112 million would be available.

Mr. Green: Does the government in effect merely act as trustee for the money?

Mr. Macnaughton: Answering your question obliquely, the government certainly controls the money in its possession and must make a report annually to parliament. If there were very serious losses during a sudden outbreak of war those losses would be paid by the government just the same as other war losses have been paid by the government in the past; so in effect I would imagine the government is trustee of its own moneys and the moneys which will eventually be accumulated by the organization are governed by the board of directors elected by the ship owners themselves.

Mr. Green: Are all ship companies in Canada participating in this scheme?

Mr. Macnaughton: All ship owners have the right to apply and become members, with the exception that the applications of course will be screened by the directors of the association. That is a very wise provision because we might not have people who would be good, honest or desirable risks, just as you have in an ordinary insurance company; so the directors keep to themselves the right to refuse applications. But the record and history of the fraternity of ship owners is such that I do not think there is much danger of that.

Mr. Green: Will the association include shipping companies on the great lakes?

Mr. Macnaughton: Yes, provision is made for shipping companies on the great lakes.

Mr. Green: Are they participating actively in this plan? Because it would seem to me that it would make quite a big difference if all shipping on the great lakes as well as deep-sea shipping is to be covered.

[Mr. Macnaughton.]

Mr. Macnaughton: My information is that the large ship owners on the Atlantic and on the Pacific are only too willing and in fact anxious to start this scheme, and the lake shipping owners have been approached also and are favourably inclined. There is of course no compulsion used, but they have the opportunity of joining.

Mr. McLure: I suppose if a ship owner has to become a member of the association, as you say, before he gets advantage of this insurance company, I would take it from reading this bill that this is just another insurance company; only they are looking for business by having as many people as possible join the association. Those who join the association get a lower tariff rate on their insurance. Is that right?

Mr. Macnaughton: To only a certain degree. The difference between this association and an ordinary marine insurance company is that the ordinary marine insurance company does not insure the risks contemplated by this bill. We are dealing here with war risks, and an ordinary marine insurance company will not insure against war risks. They have a 48-hour cancellation clause and they also decide whether they care to insure at all in the event of war breaking out. At times Canadian ship owners may not be able to get Canadian insurance at all. During the first two wars they were obliged to go to the United States or the United Kingdom to get that extra protection. This association, however, does not compete with ordinary marine insurance.

Mr. McLure: Another question. How would they operate in comparison with a company like Lloyd's? All our marine insurance, or a great portion of it, goes through that great Lloyd's concern. Would this company that you are promoting here have the same kind of insurance on the cargoes as well as the boats themselves, and can it be taken out at any time without inspection, just the same as you apply for marine insurance at any time with Lloyd's? You can call them up on the telephone and say: My ship is sailing with a cargo valued at so much, and they tell you then and there whether it is covered from the moment you telephone them. Would this company be operated on the regular basis of a concern like Lloyd's or similar agencies?

Mr. Macnaughton: My information is that it will not compete with Lloyd's. As I have tried to point out, there is a difference between ordinary commercial marine insurance and marine insurance during a state of war or conditions approaching a state of

war. The Minister of Finance in explaining the government measure used certain phraseology which might prove of interest here. It appears on page 3127 of *Hansard* of June 11. He stated in effect that when Canadian ship owners were obliged to insure with English companies their claims were paid in sterling and under present conditions that is not very satisfactory to Canadian ship owners. Then, too, the English operators place limits on the amount of insurance which Canadian ship owners can obtain. Then again the cost of replacement is much higher in Canada. Frequently Canadian ship owners found themselves without sufficient insurance when they sustained losses. These are advantages that this bill will give to the Canadian ship owner. There will be the settlement of his loss in Canadian funds and the replacement of his ship in Canadian shipyards.

Mr. Green: Is it the intention that government-owned ships will come under this plan? I think that is quite an important factor, because at the present time there are a large number of ships owned by the government or by crown companies. I presume in the event of another war most of the deep-sea cargo vessels would be owned by a government agency. Will this government fleet be participating in the scheme or is it to be restricted to vessels owned by private companies?

Mr. Macnaughton: I cannot answer that directly, but I have reason to believe that government ships will not participate.

Mr. Knowles: The minister answered that question when I put it to him during the debate on the government bill. He said they would not come under this plan.

Mr. Macnaughton: The minister says, at page 3129 of *Hansard* for June 11, 1952, in answer to a question by the hon. member for Greenwood:

> Mr. Macdonnell (Greenwood): I notice the minister said that government-owned ships would not participate in any way.
> Mr. Abbott: I did not mean government-owned ships, I meant government-owned aircraft.

I can only deduce from that that government-owned ships would not be participating.

Mr. Green: Would not participate?

Mr. Macnaughton: Would not. I would not want to guarantee that, but I have seen nothing to indicate that they would be included.

Section agreed to.

Section 2 agreed to.

On section 3—*Powers of the association.*

Mr. Green: Paragraph (a) of section 3 contains the broad general powers of this association, and they do not seem to be restricted to war risks. Is the intention that there can only be insurance against war risk or is power taken by the association to give a broader coverage?

Mr. Macnaughton: Well, certainly the first intention is against war risks. As a general thing in granting charters the legal lights try to include as many powers as they can because you cannot always anticipate every move in the future. After reading these powers, I believe they are in the general terms we usually get in a charter granted by the Secretary of State. Frankly, I do not see any contradiction in these general powers. Naturally, when you insure a ship you also have cargo inside the ship and you have other things pertaining to the ship; that is why they are set out in detail.

Mr. Green: The point I am making is that the powers seem to be broad enough to enable the association to do insurance business. It is not restricted to war risks. There is no mention in that section that I can see of war risks. It just refers to general risks of various kinds. I do not see any mention of war risks at all.

Mr. Macnaughton: In reply I can only say that the marine insurance business has been established for many years. The people following the business are rather skilful, and there has been no pressure by the established marine insurance companies to change the wording of this paragraph. I think they are quite satisfied that this association is not going to enter into active competition, certainly at the present or in the foreseeable future.

Section agreed to.

Section 4 agreed to.

On section 5—*Board of directors.*

Mr. Green: This section provides for the board of directors. Is there any plan in contemplation for dividing the directors between the east coast shipping, St. Lawrence shipping and the west coast?

Mr. Macnaughton: The first directors of the association are set forth in section 1. One of them comes from Westmount, one from Hampstead, one from Montreal, one from Montreal West, one from Vancouver and one from Halifax. Those are the provisional incorporators and first directors. You will have noticed that there can be up to 21 directors, so the leeway affords opportunity of adding directors across the country.

Mr. McLure: What is the capital of this company? What security have the insured? I do not see any mention here of the amount of capital they have; or do they reinsure all their risks?

Mr. Macnaughton: There is no actual mention of capital because this is a mutual association. The members who are accepted, the ship owners, pay a certain premium on the value of their ships, and that is how the association gets its money to finance operations. In the event of a disaster, all the members are prorated in proportion to the value of their ships, so you have the net worth of each ship owner as a guarantee against the risks of the whole association. The reinsurance provision, subject to correction, I think is up to 95 per cent with the government.

Section agreed to.

Sections 6 to 15 inclusive agreed to.

On section 16—*Director may contract with the association.*

Mr. Green: Can the sponsor explain that provision in section 16 which seems to enable a director to make a personal contract direct with the association?

Mr. Macnaughton: I would hesitate to give any direction to learned counsel facing me, because I am sure he can interpret that better than I can. If the hon. member cares to read subparagraphs 3 and 4 I think he will find sufficient precautions are inserted. Actually, I do not know what the technical reason is, but once a contract is made the director concerned must declare his interest in it in virtue of this section, and then I think he has complied with it sufficiently both morally and legally.

Section agreed to.

Sections 17 to 21 inclusive agreed to.

Preamble agreed to.

Title agreed to.

Bill reported, read the third time and passed.

OGDENSBURG BRIDGE AUTHORITY

Mr. G. T. Fulford (Leeds) moved that the house go into committee to consider Bill No. 365, an act to incorporate Ogdensburg bridge authority.

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

On section 1—*Incorporation.*

Mr. Green: Apparently the plan of the applicants for this charter is to build a bridge over the St. Lawrence river. I should like to know from the sponsor just how that is going to fit in with the St. Lawrence seaway and power development, whether the bridge will be in that area of the river, and whether the plan is to proceed with the construction before the waterway and power projects are developed.

Mr. Fulford: Section 11 explains that any plans must be submitted to the government and passed upon before they are accepted. They must conform with all requirements of navigation. Although the proposed location has not been decided upon, according to this bill the bridge must be built within five miles either east or west of the city of Ogdensburg in the state of New York or the town of Prescott in the province of Ontario. That means the bridge itself will be well above any of the proposed seaway construction.

Section agreed to.

Sections 2 and 3 agreed to.

On section 4—*Capital stock.*

Mr. McLure: This company is to have capital stock of $1 million divided into 100,000 common shares without nominal or par value. It is not stated whether this $1 million or any portion of it is to be paid up or ever will be paid up. This stock may only be there for sale to those who may be looking for some stock to buy. I should like the sponsor of the bill to explain that provision a little more thoroughly.

Mr. Fulford: As to this clause 4, referring to the $1 million of capital stock divided into 100,000 common shares, we find that this method is similar to the method in the bill with respect to the Thousand Islands Bridge Company, which was passed in this house in 1934 and amended in 1935. In that case—and we have every reason to believe the situation will be the same in this one—when the companies were amalgamated the stock was absorbed by the United States company. The bonds were sold in the United States. The financing was all done in the United States. No Canadian money was involved in any way. The stock can either be paid for outright by the directors or it can be sold on the market, or it can be acquired through the purchase of debentures, but ultimately it will be retired, along with any bonds or debentures, and the bridge will then be turned over to Canada and New York state free of encumbrance.

Mr. McLure: The purpose of this money is for the building of this bridge, is it not?

Mr. Fulford: Yes.

Mr. McLure: What is the cost of the bridge estimated at? What is it going to cost?

Mr. Fulford: There is a limit set in this bill, by clause 12, subsection 1. That limit

is an amount which must not exceed $12 million. I might say that was an amendment made in the Senate. Originally it was $10 million and the Senate increased it by $2 million in case, when the bridge was finally built, it was found that it was going to cost more than the engineers' estimate.

Section agreed to.

Sections 5 to 9 inclusive agreed to.

On section 10—*Tolls and revenues.*

Mr. Catherwood: No provision is made in this section as to the amount of the tolls. Should there be some regulation there for the purpose of limiting what the tolls could be in a case of this kind?

Mr. Fulford: Inasmuch as there are ferries running, and inasmuch as there are two other bridges not too far away from this one, it would not be to the advantage of the company to charge tolls in excess of the tolls charged by the ferries. When I say the "ferries" I mean the ferries that operate elsewhere than from Ogdensburg to Prescott. I believe they will not charge tolls in excess of the tolls charged by the Roosevelt bridge at Cornwall or the Thousand Islands bridge at Ivy Lea. It is not reasonable to suppose that any corporation is going to charge prices that will drive the travelling public to some other way of getting across the St. Lawrence river.

Mr. Green: Judging from the answer given by the sponsor of the bill I would take it that the setting of the tolls is entirely in the discretion of the directors of the bridge company. Is there not the necessity of going to the board of transport commissioners and obtaining a ruling on the reasonableness of these tolls?

Mr. Fulford: The tolls come under the jurisdiction of the Railway Act. Naturally the Board of Transport Commissioners for Canada will ultimately be required to set the maximum tolls payable, as will also the corresponding body in the United States.

Mr. Green: It is perfectly clear that the board of transport commissioners will have the power to regulate these tolls?

Mr. Fulford: Oh, definitely.

Section agreed to.

On section 11—*Location of bridge.*

Mr. McLure: I should like to know just what the length of this bridge will be. What is the estimated length of it when completed? If this bridge is a great success, and if it can be built for $10 million or $12 million, I cannot help thinking that in our part of our country we might be interested in a similar proposition with respect to a bridge to connect us up with the mainland. What would be the length of this bridge?

Mr. Fulford: The width of the St. Lawrence river in that district—that is in the area five miles east of Prescott and five miles west of Prescott—is almost an even mile. Not being an engineer, and not having seen the engineer's plan, I do not know how long the approaches will be. But as to the United States approach of the Thousand Islands bridge, where they have to go up from the river level to the height required for navigation purposes, it is just under half a mile.

Mr. McLure: A third of the distance.

Section agreed to.

Sections 12 and 13 agreed to.

On section 14—*Amalgamation with other companies.*

Mr. Green: Section 14 gives power to amalgamate with other companies. Is it the intention of the sponsors of this bill to amalgamate with a United States company?

Mr. Fulford: With respect to an international bridge such as this, the usual practice is to have a Canadian company formed for the purpose of attending to the construction costs. But when the bridge is open for traffic, either the Canadian company can absorb the United States company for administration purposes or the United States company can absorb the Canadian company. The financial obligations of the one company immediately become the obligations of the other company.

Mr. Green: What United States company are the sponsors going to amalgamate with in this case?

Mr. Fulford: The company that has been set up and authorized by the New York state legislature. When the act was passed in May of this year it set up an authority with the power to raise the necessary funds in the United States. It is a private authority. The bonds do not have any government backing in any way. I understand, however, that a traffic survey was made by the state of New York before the New York state assembly passed this act allowing the authority to be created, and it was found that the traffic to be served would warrant the expenditure of a large sum of money to complete a bridge between Ogdensburg and Prescott. Therefore, with this blessing, there is no reason why the authority as set up in the state of New York cannot raise its funds

through the usual financial channels—banks, trust companies or otherwise—in the United States. I do not anticipate that any money will be raised in Canada.

Mr. Green: What is the name of that authority?

Mr. Fulford: The Ogdensburg bridge authority.

Section agreed to.

Sections 15 to 17 inclusive agreed to.

On section 18—*Time for commencement and completion of bridge.*

Mr. McLure: I understand there are two other bridges across this same river. Is there any guarantee that there will not be any interference with smaller boats going up and down the river, or is there allowance for that? One would think that in this day and age, instead of building a bridge they would consider plans for a tunnel. Have any figures been prepared on the cost of a tunnel as compared with a bridge?

Mr. Fulford: There should be no difficulty in respect to obstructing navigation for smaller ships. As I explained earlier, at this point the river is approximately a mile wide. There are wide channels that have a good depth. I would say the river is between 50 feet and 70 feet in depth. The very fact that the river is so deep at this point precludes the possibility of a tunnel ever being built at a reasonable figure. I believe the cost of the tunnel would be away out of line.

Mr. Murray (Cariboo): Do the plans ensure that this will be a safe bridge? The Duplessis bridge in another part of the country collapsed with great loss of property and life. I hope the plans provide for a bridge that will stand up.

Mr. Fulford: Inasmuch as bridges come under the authority of the board of transport commissioners and the corresponding body in the United States, the hon. member can rest assured that the plans when finally approved will guarantee the bridge to be perfectly safe.

Section agreed to.

Sections 19 to 24 inclusive agreed to.

Preamble agreed to.

Title agreed to.

Bill reported, read the third time and passed.

[Mr. Fulford.]

DIVORCE BILLS—CONSIDERED IN COMMITTEE—THIRD READINGS

Mr. H. W. Winkler (Lisgar) moved that the house go into committee to consider the following bills:

Bill No. 215, for the relief of Irene Mary Johnson Muirhead.—Mr. Winkler.

Bill No. 220, for the relief of Vera Kathleen Martin Lightfoot.—Mr. Winkler.

Bill No. 300, for the relief of Albert Chevalier.—Mr. Winkler.

Bill No. 302, for the relief of Roland Lesage. —Mr. Winkler.

Bill No. 311, for the relief of Joseph Timothy O'Connor.—Mr. Winkler.

Bill No. 312, for the relief of Victoria Elias Abdelhay.—Mr. Winkler.

Bill No. 313, for the relief of Margaret Edith Grace Batt Trent.—Mr. Winkler.

Bill No. 314, for the relief of Pearl Abramovitch Hoffman.—Mr. Winkler.

Bill No. 315, for the relief of Lily Sperling Kofsky.—Mr. Winkler.

Bill No. 316, for the relief of Jean Isobel Taylor Cuffling.—Mr. Winkler.

Bill No. 317, for the relief of Charles William Ledger.—Mr. Winkler.

Bill No. 318, for the relief of Benjamin Gordon Church.—Mr. Winkler.

Bill No. 319, for the relief of Laura Juliette Aubert Macdonald.—Mr. Winkler.

Bill No. 320, for the relief of Jean Lesly Macfarlane Cameron.—Mr. Winkler.

Bill No. 321, for the relief of Sarto Desnoyers.—Mr. Croll.

Bill No. 322, for the relief of Jean Marc Duckett Audet.—Mr. Winkler.

Bill No. 323, for the relief of Eugene Cote. —Mr. Winkler.

Bill No. 325, for the relief of Anna Lapinska Cholewicki.—Mr. Winkler.

Bill No. 326, for the relief of Alexander William Hyndman.—Mr. Winkler.

Bill No. 327, for the relief of Vivian Mary Dickson Stewart.—Mr. Winkler.

Bill No. 328, for the relief of Stanley Baker Smith.—Mr. Winkler.

Bill No. 329, for the relief of Rebekah Ellinor Conley Burman.—Mr. Winkler.

Bill No. 330, for the relief of Allan Gowans. —Mr. Winkler.

Bill No. 338, for the relief of Marie Jacqueline Michelle Major Valiquette.—Mr. Winkler.

Bill No. 339, for the relief of May Clara Taylor Di Biasio.—Mr. Winkler.

Bill No. 340, for the relief of Regina Joan Lee Mills.—Mr. Winkler.

Bill No. 341, for the relief of Violette Chartrand Fairon.—Mr. Winkler.

Bill No. 342, for the relief of Doreen Elizabeth Lawton Batty.—Mr. Winkler.

Bill No. 343, for the relief of Norma Meldrum Drysdale McGown.—Mr. Winkler.

Bill No. 344, for the relief of Jean Elizabeth Wood Jackson.—Mr. Winkler.

Bill No. 345, for the relief of Louisa Ryan Heke.—Mr. Winkler.

Bill No. 348, for the relief of Maurice Speyer.—Mr. Winkler.

Bill No. 349, for the relief of Lorraine Souillet Heaven.—Mr. Winkler.

Bill No. 350, for the relief of Charlotte Elizabeth Johnston Rawson.—Mr. Winkler.

Bill No. 351, for the relief of Eleanor Luba Hirschfield Mott.—Mr. Winkler.

Bill No. 352, for the relief of Marguerite Anne Sweeting Russell.—Mr. Winkler.

Bill No. 353, for the relief of Amy Stirling Price.—Mr. Winkler.

Bill No. 354, for the relief of Jean Irene Ross Roche.—Mr. Winkler.

Bill No. 355, for the relief of Regina Landry Brouillard.—Mr. Winkler.

Bill No. 356, for the relief of Jean-Paul Malo.—Mr. Winkler.

Bill No. 357, for the relief of Robert Arthur Reeve.—Mr. Winkler.

Bill No. 358, for the relief of Joyce Mary Barton Vallis.—Mr. Winkler.

Bill No. 359, for the relief of Lawrence Edward James.—Mr. Winkler.

Bill No. 360, for the relief of Helene Mary Reusing Hutchins.—Mr. Winkler.

Bill No. 361, for the relief of Charles Lewis Lipton.—Mr. Winkler.

Bill No. 362, for the relief of Joseph Kovacs.—Mr. Winkler.

Bill No. 363, for the relief of Ann Martha Treglown Goodfellow.—Mr. Winkler.

Bill No. 367, for the relief of Meryl Elman Kluger Schreiber.—Mr. Winkler.

Bill No. 368, for the relief of Janusz Juljan Borzecki.—Mr. Winkler.

Bill No. 369, for the relief of Perley John Walden.—Mr. Winkler.

Bill No. 370, for the relief of Louis Jules Fabry.—Mr. Winkler.

Bill No. 371, for the relief of Kathleen Anne Bentley Hainsworth.—Mr. Winkler.

Bill No. 372, for the relief of Ethel McCready Thomas.—Mr. Winkler.

Bill No. 373, for the relief of Lois Edith Laffoley Kelly.—Mr. Winkler.

Bill No. 374, for the relief of Evelyn Helen Cowell Varrin.—Mr. Winkler.

Bill No. 375, for the relief of Marion Helen Hawes Gordon.—Mr. Winkler.

Bill No. 376, for the relief of Winnifred Isobel Bassett Yuill.—Mr. Winkler.

Bill No. 377, for the relief of Eileen May Walker Cole.—Mr. Winkler.

Bill No. 378, for the relief of Frank Ashworth.—Mr. Winkler.

Bill No. 379, for the relief of Margaret Galbraith Hardie McCall.—Mr. Winkler.

Bill No. 380, for the relief of Goldie Natovitch Molson.—Mr. Winkler.

Bill No. 381, for the relief of Norma Veronica Besner Roast.—Mr. Winkler.

Bill No. 382, for the relief of Catherine Anna Regan Herdt.—Mr. Winkler.

Bill No. 383, for the relief of Errol Alexander Edgley.—Mr. Winkler.

Bill No. 384, for the relief of Marie Marguerite Eugenie Lucie Prevost Lalonde.—Mr. Winkler.

Bill No. 385, for the relief of Myrtle Meloche Reath.—Mr. Winkler.

Bill No. 386, for the relief of Eileen Margaret Smith Bates.—Mr. Winkler.

Bill No. 387, for the relief of Selim Jean Malakie, otherwise known as Solomon Malacket.—Mr. Winkler.

Bill No. 388, for the relief of Ruby Lydia Donnelly Champion.—Mr. Winkler.

Bill No. 389, for the relief of Edna Edith Lily Caron Gourdie.—Mr. Winkler.

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

On section 1—*Marriage dissolved.*

The Chairman: Shall clause 1 of these bills carry?

Mr. Knowles: Mr. Chairman, before the motion for clause 1 of these bills carries may I just say a word with respect to these bills, as part of the rather large batch of divorce bills we have put through at this session. This may be the last night of this session that we shall be dealing with divorce bills, and I should imagine hon. members would be interested in a few statistics as to what we have done with respect to divorce cases in the House of Commons during the current session.

If and when we pass these 70 bills, clause 1 of which is now before us, we shall have passed in this House of Commons 312 divorce bills. The Senate passed 313. I understand that the miscellaneous private bills committee turned down one of the bills which the house referred to it. That figure of 312 bills is the second largest number of divorces to be dealt with in any session of parliament. Hon. members will probably be interested as well in the amount of time that we have spent in this session on divorce bills. I have checked the record, and I find that tonight is the seventeenth occasion during this session of parliament that we have dealt with divorce bills. They were reached three times on Mondays and fourteen times, including tonight, on Tuesdays and Fridays.

I have also acertained that the total amount of time we have spent on divorce bills on these seventeen occasions, including ten minutes that might be taken this evening, adds up to five hours and twenty-five minutes. Now, it takes only a little bit of simple arithmetic to ascertain that if we have spent five hours and twenty-five minutes on 313 divorce bills it means that we have dealt with divorce bills at all the stages that concern us in the House of Commons, first reading, second reading, committee stage and third reading, in an average of one minute and two seconds per divorce. But, Mr. Chairman, as the hon. members know—

Mr. Ferrie: How long did the Senate take?

Mr. Knowles: —averages are deceiving. The hon. member asks how long the Senate takes. Perhaps he can go to the Senate and find out, but I am concerned about the way in which we observe our responsibilities as members of the House of Commons. I was saying that averages are deceiving. Perhaps it is not fair to say that we have dealt with divorces in an average of one minute and two seconds per divorce, because actually out of that five hours and twenty-five minutes which we spent altogether in the House of Commons on divorce we spent four hours and thirty-five minutes on 22 cases. In other words, these 22 cases actually had the attention of the House of Commons for an average of twelve minutes each. But that means the other 291 divorces were dealt with in this House of Commons in a total of fifty minutes, which means that the average time spent on each was ten seconds. I suggest, Mr. Chairman, that that is not a very commendable record for the House of Commons—ten seconds per divorce—regardless of what may be said of the Senate.

To be completely fair there is a further bit of time that perhaps should be added to this, namely the time spent by the miscellaneous private bills committee. I am not a member of that committee and I have no record of the time spent on them; but a little calculation suggests that even if you add that time in it would extend by only a few seconds the average time spent by the House of Commons in all of its stages on these divorces.

I suggest, Mr. Chairman, that one thing has to happen. Either some other way should be found for dealing with these divorce cases than by parliament, or we should take our responsibilities more seriously. I note that this matter has been commented on in the editorial columns of both Ottawa newspapers today. One of them even suggests that the Senate might go on strike and leave the job to us. As a matter of fact that is a suggestion of which the senators might well take note. Perhaps if we really had to do the job in this house hon. members might face up more seriously to the nature of the task and to the desirability of finding some other tribunal for it.

There is one other statistic I should like to give to the committee, Mr. Chairman. I have here the booklets of evidence and the bills for the 313 cases we have handled this session. It is a shameful pile, someone says; a perfectly apt remark. There it is, on the top of my desk, and it measures fifteen inches high. But this is just the pile furnished to me. The same pile is supplied to all of us. There are 262 members of the House of Commons and 102 of the Senate—364 members of parliament altogether. If one multiplies the bills I have here by 364 it would produce a stack of divorce evidence and divorce bills—and that is in English only, because the evidence is not printed in French, although the bills are—that would be 455 feet high.

That figure may not mean very much to the ordinary person. With that in mind I inquired of our good friends at the main door who know the statistics about this building and ascertained before I came to the chamber at eight o'clock the height of the peace tower. They tell me the peace tower is 300 feet high, right up to the very base of the flagpole. So I suggest to hon. members that when they are walking up to the building tomorrow morning they should just take a look at that peace tower, 300 feet high, and realize that this session's divorce evidence and divorce bills make a pile half again as high as the peace tower, or 455 feet high.

Mr. Brooks: Right up to heaven.

Mr. Knowles: The hon. member for Royal says they would reach right up to heaven. Perhaps he is thinking in the wrong direction. I do suggest it might be an additional tourist attraction in this city if, when our tourists come to admire the parliament buildings and admire the height of the peace tower, there could be on one side of the tower piled up for them that 455 feet of divorce bills and evidence with which we have dealt in the House of Commons, at the average rate of one minute and two seconds per divorce, so the people of this country may see that evidence of this phase of our work.

I know none of us likes handling this business. None of us really feels that this is the place to deal with the cases we have before us tonight. I hope that as hon. members contemplate that record of one minute and two seconds per divorce—really only ten seconds per divorce for 291 of them—and as hon. members contemplate that picture of a

stack of bills and evidence 455 feet high, they will decide next session to join with me and with members of the Senate who have once again this week made the same recommendation, in finding a way to get divorce bills out of parliament and before some other tribunal.

Section agreed to.

Section 2 agreed to.

Bills reported, read the third time and passed.

Some hon. Members: Nine o'clock.

Mr. Deputy Speaker: The hour for private bills having expired, we will resume consideration of the business under consideration at six o'clock.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF AGRICULTURE

1. Departmental administration, $344,433.

The Chairman: Shall item No. 1 carry?

Item agreed to.

3. Advisory committee on agricultural services, $5,000.

Mr. Wright: Are films produced under this item for the Department of Agriculture?

Mr. Gardiner: Films are produced by the film board for the Department of Agriculture.

Mr. Wright: How many were produced last year?

Mr. Gardiner: Two were finished that were started the year before, and one new one.

Mr. McLure: Who are the personnel of this advisory committee?

Mr. Gardiner: The deputy ministers of the different provinces, the chief officials of the agricultural colleges, and the chief officials of our own department.

Mr. McLure: What work have they taken on in an advisory capacity? I have heard of them acting only once, and that was in connection with a position that could not be handled by the civil service commission, when an appointment was made.

Mr. Gardiner: They meet and discuss the whole range of activities, both provincially and federally, of the provincial and federal departments. They advise upon methods of dealing with problems.

Mr. McLure: They are not paid a salary or anything?

Mr. Gardiner: No salary in addition to what they get for their ordinary employment.

Mr. McLure: Just travelling expenses.

Item agreed to.

Science service administration—

6. Construction or acquisition of buildings, works, land and new equipment, $1,331,525.

Mr. McLure: The new science building at the experimental station at Charlottetown would come under this item so far as its completion is concerned. I understand it is not quite complete.

Mr. Gardiner: We expect to have it finished in October.

Mr. McLure: The new science building?

Mr. Gardiner: Yes.

Mr. Wright: Would it be under this item that the money would be spent on the buildings at Grosse Ile, or what item would that come under?

Mr. Gardiner: Expenditures on Grosse Ile are made by the defence board. There are arrangements entered into between this country and the United States.

Mr. Black (Cumberland): What new buildings and new equipment are being provided at the experimental farm at Nappan?

Mr. Gardiner: A new office and laboratory building recently finished.

Item agreed to.

Animal pathology—

7. Operation and maintenance, $462,546.

Mr. Charlton: In view of some of the statements we have seen in the press in the last month, I wonder if the minister would say if there is any truth with respect to the statements about the animal diseases research institute in Hull. Is any consideration being given by the government to moving that laboratory from Hull?

Mr. Gardiner: There has never been any suggestion so far as I know upon which to base any statements that the laboratory is going to be moved. The only discussions that have taken place with respect to it had to do with what might happen in connection with the checks that are made on foot-and-mouth disease. Nothing else was discussed with respect to it.

Mr. Charlton: It was just the fact that the diagnosis might be carried on at Grosse Ile instead of at Hull.

Mr. Gardiner: There is no question so far as diagnosis is concerned under the policy that has been followed up to now and which, so far as I know, is still going to be followed. The policy is to have the diagnosis made on

the premises where the disease develops, but other tests that may be made after the diagnosis will in all probability be carried on at Grosse Ile, as is being done at present.

Mr. Charlton: I hope they have better luck with their tests in the field than they had last time.

Mr. Gardiner: We had very good luck.

Mr. Blackmore: Is this the proper item under which to discuss foot-and-mouth disease?

Mr. Gardiner: Not again.

Mr. Blackmore: Is item No. 7 the proper one under which to discuss foot-and-mouth disease?

Mr. Gardiner: No, the proper place to discuss it is under compensation for animals slaughtered.

Item agreed to.

Animal pathology—

8. Construction or acquisition of buildings, works, land and new equipment, $81,895.

Mr. Cardiff: I should like to ask the minister to tell us where the money is being spent. I looked at page 82 but I did not see any details there to tell us where the money is being spent.

Mr. Gardiner: The first place is Hull, construction of incinerator, post mortem building, farm section, $4,800. Then there is construction of a root house and paddock building, poultry building and farm section, $4,500. Then there is a storage shed at the main laboratory, $2,000, a passageway connecting the main laboratory and the poultry disease laboratory, $2,000. At Lethbridge there is an addition to the laboratory, $10,000; a six-room bungalow to replace dwelling No. 3, $12,000; a frame house, $4,800. Then there is Vancouver animal quarters, $19,000; acquisition of equipment, $22,795. At Sackville, New Brunswick, there is an expenditure of $675; at Macdonald college, $1,200, and at Ottawa, $100. At Lethbridge, Alberta, there is an expenditure of $8,105; at Vancouver, $2,990 and at Hull, Quebec, another expenditure of $9,725. That is the total amount.

Item agreed to.

9. Bacteriology and dairy research, $191,189.

Mr. Charlton: Does any testing work so far as checking margarine for moisture and that sort of thing come under this branch?

Mr. Gardiner: No.

Mr. Charlton: It does not?

Mr. Gardiner: Not for this department.

Item agreed to.

Botany and plant pathology—

10. Operation and maintenance, $1,233,231.

Mr. Black (Cumberland): What headway has been made in cultivating new varieties of potatoes, more particularly at the experimental farm at Fredericton? I understand they have made a specialty of that, and that some headway has been made in securing new varieties which are free from disease. A great many diseases affect potatoes, and it is a very important accomplishment if varieties can be obtained that are free from blight and the different diseases that make such inroads on the raising of potatoes by the growers of the maritime provinces. What progress has been made, and what new varieties have been recommended to the producers of potatoes?

Mr. Gardiner: I understand we have developed two new varieties which are blight resistant, but I think we can get the details of that better under experimental farms. It really does not come under this item.

Item agreed to.

Entomology—

14. Construction or acquisition of buildings, works, land and new equipment, $124,830.

Mr. Catherwood: The report of the Department of Agriculture says that severe outbreaks of spruce budworm resulting in the loss of millions of cords of spruce and balsam in northern Ontario during the past decade have now largely subsided. Will the minister state whether that is completely eradicated at the present time?

Mr. Gardiner: No, it has not been eradicated. It is still doing considerable damage in both New Brunswick and Ontario. We are still working on it, of course.

Mr. Catherwood: Has the situation improved at all?

Mr. Gardiner: Yes, it has improved some, but it has not been eradicated.

Mr. Catherwood: I would like to ask the minister a similar question with regard to the disease "dieback of birch" from which almost 80 per cent of the birch has died.

Mr. Gardiner: There is a team working on it in both Ontario and Quebec, but no final results have been arrived at yet.

Mr. Wright: I believe forests come under provincial control. Just what is the method worked out between the provinces and the dominion with regard to this department? Do the provinces have to make application to your department for investigations, or just what method is used in co-operating?

Mr. Gardiner: We supply the technical and scientific work in investigations such as are carried on in these buildings that are mentioned here, and the provinces look after transportation and actual operations in the field.

Mr. Wright: In spraying the forests for budworm and other diseases, who looks after the cost of the actual spraying material? Do you pay or do the provinces?

Mr. Gardiner: The companies and the provinces co-operate in doing such work as the actual spraying and that kind of thing.

Item agreed to.

Experimental farms service—

18. Experimental farms service administration, $171,213.

Mr. McLure: Last year I was making inquiries with regard to the experimental farm here. While I have nothing to say about it except that it is a wonderful place for visitors, I often wonder when there is going to be a limit to the increased expenditures. For instance, for a number of years expenditures have been going up at the rate of a quarter of a million dollars a year. I think this year the estimates are a quarter of a million dollars higher but we don't see very much about the revenue derived from it. I would like to find out if the revenue is going up in comparison with the cost as we have it here. Could I have that information?

Mr. Gardiner: Well, of course, the expenditure has always been considerably higher than the revenue from government experimental farms in general. That is particularly true of the experimental farm in Ottawa. It is not the intention or at least it is not expected that we will make a profit out of operating an experimental farm. It is an expenditure made by the government of the country for the purpose of giving scientific information after research to farmers in general across the country. It is not intended that we should make a profit out of that. As a matter of fact there is a very considerable cost.

Mr. McLure: Yes, Mr. Chairman, I am quite aware of that and of what a wonderful benefit it is. What I was getting at is that there must be a limit to the increase in cost per year. The total for the head farm here is now $2 million, and with increases of a quarter of a million dollars each year it won't be long until it is a tremendous proposition. We have an experimental station down in our own province, a very wonderful institution for the benefit of the farmers, and I would like to see a little more money spent down there on that.

Some hon. Members: Hear, hear.

Mr. McLure: Another thing, the illustration stations seem to be of more benefit throughout the country than the experimental farms because there are really more people who take advantage of those stations. I would like to know from the minister whether there is going to be an increase in the number of illustration stations in our province.

Mr. Gardiner: They are increasing slowly all the time. There are 228 of these illustration stations in the country now. There has not been a tendency to decrease them at any time, and they are increasing in number slowly. I may say that we also consider them to be very valuable. It is not our intention to increase the number of experimental farms, as we have a sufficient number to do the work we think is required in that direction.

Mr. Murray (Cariboo): I would like to ask the minister if there are any plans for extending the work in the Peace river bloc in British Columbia. I should also like to know what progress has been made at the new experimental farm at Whitehorse. I am told that very valuable work is being done up there and that many things are being found out about the possibilities of food production even at that point in Canada which must be four or five thousand miles from Prince Edward Island.

Mr. Gardiner: There are a number of rather important illustration stations up through that country. There is one at Athabaska Landing which I am quite sure the hon. member would know about, and there are others in the area. There is one very close to Fort St. John, just south of there. The one at Beaverlodge is the largest one close by. It is not in British Columbia; it is on the Alberta side of the boundary. Nevertheless it does serve that part of the country in a big way. Of course it is our desire as settlement moves north in that country to have illustration stations to assist those who are settling there.

Mr. Murray (Cariboo): Would the minister care to comment on the experimental work in the Yukon Territory?

Mr. Gardiner: There is an experimental farm just west of Whitehorse which is carrying on all the usual work carried on at an experimental farm. They have not as much livestock as you can see at some experimental farms, but they have poultry and they are also carrying on experimental work in connection with the growing of

cereals and grasses of different kinds that are suited to that country. There is good acreage in that farm, but it is only partially cleared.

There are other experimental plots at different places. About thirteen miles out of Dawson City there is one run by a private individual to which we give some assistance. They have some plots for growing cereals, potatoes, vegetables, raspberries and small fruits of different kinds.

Mr. Charlton: I wonder if the minister could tell us the cost of the success that has been derived from the use of the new silo for the dairy barn at the central experimental farm here. It is supposed to be of glass lined construction, and I wonder how it is panning out for various silages.

Mr. Gardiner: The experiment which has been carried on with the one at the farm would indicate the cost is comparatively high. It would be probably too high for an individual to utilize to advantage. This is being tried out as an experiment, but at the present time the costs are high.

Mr. Charlton: Could the minister tell us what the cost was?

Mr. Gardiner: Around $7,000.

Mr. Charlton: What is the size of it, around 14 by 45?

Mr. Gardiner: It is about 14 feet across and 35 feet high.

Mr. McLure: What is the type of dairy cattle they have at the experimental farm here? Do they specialize in one particular breed, or have they herds of the various breeds of dairy cattle?

Mr. Gardiner: At Charlottetown?

Mr. McLure: No, at the central experimental farm here.

Mr. Gardiner: There are two breeds here, Holsteins and Ayrshires.

Mr. McLure: I suppose Holsteins would compose the larger part of the herd?

Mr. Gardiner: About the same of each.

Item agreed to.

Central experimental farm—
20. Construction or acquisition of buildings, works, land and new equipment, $325,765.

Mr. Catherwood: The minister spoke about illustration stations this afternoon. I quite agree with his remarks, because I think they are a great benefit to the agricultural community. Can the minister tell me how many new illustration stations were built or put into operation last year?

Mr. Gardiner: There were 19 new ones.

Mr. Catherwood: Can the minister say how many of those were in the province of Ontario?

Mr. Gardiner: The Fort William district, Fort Frances; the eastern and central Ontario district, Chapleau; there are just the two.

Item agreed to.

Branch experimental farms—
21. Operation and maintenance, $5,384,946.

Mr. Black (Cumberland): This is the item on which the minister suggested I ask him the question concerning the development of new varieties of potatoes. He stated two varieties had been developed at the experimental farm at Fredericton which the department is now able to recommend to the growers of potatoes. I should like to know if those varieties are now available to potato growers, and I should like to know the names of those varieties. There are the well established varieties such as Irish Cobbler, Green Mountain and a number of others.

Mr. Gardiner: There are the two varieties, Canso and Keswick, both of which are blight resistant. They were distributed last year to the growers of seed potatoes, and are now ready for distribution to the public in general through these growers but not from the department. They can be purchased from the growers.

Mr. McLure: Has any ceiling price been established on these seed potatoes?

Mr. Gardiner: No. There are hundreds of growers, however, and there will be some competition in the matter of selling them.

Mr. Black (Cumberland): Is the experimental farm able to give growers samples so they might do some planting, or is that done entirely by private growers?

Mr. Gardiner: They get them entirely from the private growers.

Mr. Black (Cumberland): How do the private growers get them?

Mr. Gardiner: They got them last year from the experimental farm.

Mr. Black (Cumberland): Other growers would not be able to get any this year from the experimental farm?

Mr. Gardiner: No, the practice has been to do it the way I have suggested, namely to distribute the seed to seed growers during one season; then they multiply the seed and sell it the following year.

Mr. Black (Cumberland): Can the minister state the results so far as production per acre

is concerned, that is whether these are good producers or whether they are merely blight resistant?

Mr. Gardiner: The records for both quality and production are particularly good. I have not the figures as to quantity, because the potatoes are in the hands of growers all over the area. Our information is that there is a considerable quantity.

Mr. Black (Cumberland): Can the minister state where they may be acquired by growers in Nova Scotia?

Mr. Gardiner: We can furnish a list of the growers who grew them to anyone who desires to have it. They can buy from whichever one they wish.

Mr. Wright: Who selects the growers who will propagate the new varieties of grains? Is it the department or the Canadian Seed Growers' Association, or how do you decide to whom you are going to distribute new varieties for propagation purposes.

Mr. Gardiner: The same practice is followed with grain that I have just mentioned in connection with potatoes. We produce the varieties, and when we have a certain quantity we put it out to the members of the Canadian Seed Growers' Association and they multiply it. Then they have it for sale.

Mr. Wright: Who makes the selection of the members of the Canadian Seed Growers' Association to whom these varieties are sent?

Mr. Gardiner: They make application directly to the seed growers' association, and we get a recommendation, of course, from that association. Then each person is supplied about equal quantities of the seed and those persons multiply the seed.

Mr. Wright: What I am trying to get at is who makes the selection. A good bit of money has been made in the propagation and sale of new varieties when they have come on the market in the first place. I should like to know just who makes the selection of the growers to be used in propagating these new varieties. Is it the Canadian Seed Growers' Association executive or your department?

Mr. Gardiner: The individual makes his application to the seed growers' association for membership in the association. He makes application for seed probably at the same time. The seed is distributed to him as a member of the association, but he must meet the requirements of the association as a grower before he will be admitted to membership in that organization.

Mr. Wright: I understand that thoroughly, but there is not enough of these new varieties to send samples to every member of the Canadian Seed Growers' Association who may make application. What I want to know is who makes the selection from the growers who make application for the right to propagate these new varieties.

Mr. Gardiner: There are two ways of doing the multiplying. We do some of it by contract. Of course where we do it by contract we make the selection ourselves. So far as others are concerned, I understand that it is a case of first come, first served, with no selection made. So long as they are admitted as seed growers by the association, they are entitled to get seed on application, so long as a supply is available. Of course, when we run out, we cannot supply them any further.

Mr. MacLean (Queens): Will the minister give us some information with regard to what educational films on agricultural subjects are being sponsored by his department for production by the film board during the year?

Mr. Abbott: We passed that item.

Mr. Gardiner: I gave information with regard to the number a little while ago. Only two were finished, and they were started last year. There is one new one this year. Does the hon. member desire their names?

Mr. MacLean (Queens): No.

Mr. Charlton: With regard to the question raised by the hon. member for Melfort, is it not a fact that there are two classes of growers in the seed growers' association? Is there not a list of elite growers who have the preference with regard to obtaining seed?

Mr. Gardiner: That is correct; there are the two classes of growers.

Mr. Charlton: I do not think the ordinary member of the Canadian Seed Growers' Association ever gets an opportunity, without passing as an elite grower, to get seed of that first generation seed.

Mr. Gardiner: That is the term that is used in describing that particular class of growers. They have the qualifications necessary for the multiplying of seed.

Mr. Charlton: They have the necessary qualifications, certainly. Can the minister tell us how many growers across Canada qualified as elite seed growers?

Mr. Gardiner: I am told that it would be difficult to get the figures with regard to that classification, which applies to the different kinds of crops that are grown across the country. They are classified and selected according to their qualifications for growing that particular kind of seed.

Mr. Fair: Before six o'clock I asked the minister a question in connection with the establishment of an illustration station at Derwent, Alberta, which is about 25 miles north of Vermilion. When the item was going through I was just returning from a meeting of the redistribution committee, and I was not here to ask it. I wonder if I could get an answer from the minister at this time.

Mr. Gardiner: Is it the station at Fort Kent?

Mr. Fair: At Derwent. It is on the north C.P.R. line between Lloydminster and Edmonton.

Mr. Gardiner: One is not established there yet. At least we have not one on record as being established there yet.

Mr. Fair: About two years ago quite a large number of farmers asked to have one established at that point. They were quite interested, and their interest has not waned as the years have gone by. Will the minister give consideration to the establishment of an illustration station at that point?

Mr. Gardiner: We will have that matter investigated.

Mr. Fair: If the minister will do that I shall be obliged to him.

Item agreed to.

Production service—Health of animals—

24. Administration of Animal Contagious Diseases Act, and Meat and Canned Foods Act, $4,889,025.

Mr. Charlton: Can the minister tell us what success his department is having with the new vaccine for Newcastle disease?

Mr. Gardiner: With the development of an improved vaccine by the animal diseases research institute it was considered desirable by the Department of Agriculture, after consultation with provincial authorities and the poultry industry, to provide for control of Newcastle disease in poultry by vaccination rather than by the slaughter of infected flocks. Arrangements were made with the provinces of Ontario and Nova Scotia whereby the Department of Agriculture, through the animal diseases research institute, would supply the necessary vaccine and the province would arrange for distribution and application of the vaccine.

The vaccine was used upon an estimated 22 flocks in Nova Scotia and 371 in Ontario, and results to date have indicated that the vaccination program has definite possibilities of success. Newcastle disease broke out in 12 flocks in Nova Scotia and in 35 flocks in Ontario after the vaccine had been administered. In Nova Scotia all flocks in which the disease occurred were slaughtered; in Ontario this was not considered necessary, as the disease was less virulent. In spite of careful investigation it has not been possible to determine the precise cause of the outbreaks; however, it must be assumed from the incidence of the disease in relation to the vaccination program that it was due to the vaccination or the vaccine.

It is hoped that a continuation of this vaccination program, complemented by the use of live vaccine in young chicks, will lead to a complete termination of the relatively costly slaughter and compensation policy. Regular compensation under the animal contagious diseases regulations would not adequately compensate the owners of the hatchery flocks referred to herein, who lost superior quality birds at the beginning of the season of hatching egg production.

Because of the special quality and purpose of the flocks concerned, the role of the government in the vaccination program and the importance of retaining the good will of poultrymen towards vaccination, it is considered desirable to provide special compensation for flock owners who suffered substantial losses by reason of death of birds and lowered production during the hatching season. Competent officers of the Department of Agriculture have appraised the loss sustained by each flock owner; the names of the flock owners and the amount of the loss in each case are listed in a schedule attached.

Mr. Charlton: I could not hear everything the minister was saying, but I understood him to say that special compensation was being paid to the owners of flocks that had been slaughtered owing to the vaccination. Did I understand him correctly?

Mr. Gardiner: Yes.

Mr. Charlton: Special compensation is being paid?

Mr. Gardiner: The amount is provided in the supplementary estimates which we shall be coming to later.

Mr. Charlton: Compensation is being paid? For whatever loss was occasioned by whatever went wrong with the vaccine, compensation is being paid?

Mr. Gardiner: Yes. That is all being paid for.

Mr. Black (Cumberland): Do I understand from the minister that no more of the virulent vaccine has been distributed since these unfortunate outbreaks in Nova Scotia? The department has ceased sending out any vaccine of the same type as that which proved to be so faulty in Nova Scotia?

Mr. Gardiner: Vaccine is still going out to people who apply for it and desire to use it, and it is having very helpful results.

Mr. Black (Cumberland): Evidently not; it could not have helpful results if it infected flocks with Newcastle disease. I gather from what the minister says there has been no similar experience since that which happened in Nova Scotia. I can take from what the minister has said that no Newcastle disease is being induced in flocks through the use of this vaccine.

Mr. Gardiner: It has not been established definitely that it was the vaccine that caused the difficulty. There were 12 flocks in Nova Scotia that did develop the disease after the vaccine had been applied, and there were 35 out of 371 in Ontario. The others claimed to have had benefits from it. The question as to what caused the difficulty in that limited number of cases has not been answered.

Mr. Black (Cumberland): The disease did not develop in any flocks in which this vaccine was not used.

Mr. Gardiner: The disease was in existence before the vaccine was used at all, I understand. That is the reason they went in and started to use it; but not in nearly all the cases where the vaccine was used did the disease develop. As a matter of fact there were far more where it did not develop than where it did, and where it was presumed it did prevent the development of the disease.

Mr. Black (Cumberland): I question the information the minister has given. The information I have is that Newcastle disease did not develop in any flocks except those in which this vaccine had been used. I think all the poultry owners and the owners of hatcheries took for granted that Newcastle disease developed because of faulty vaccine, and that vaccine had been used in those flocks as a preventive. It was not used after the Newcastle disease had developed. The owners of the hatcheries were encouraged, induced or persuaded to have the vaccine used as a preventive, not to cure the flocks already infected.

Mr. Gardiner: Well, the story is that in the first instance the officials of the department were of the opinion that we should slaughter the poultry, and there was the very strongest of pressure brought to bear upon the department suggesting that it was a waste, and that the poultry should not be slaughtered in order to wipe out the disease. Those who held that opinion of course advocated the use of vaccines. We did get a vaccine from Britain that we had some trouble with in British Columbia, and we had some trouble in Nova Scotia with the vaccine that was developed. I think it is correct to say that the disease which did develop in most of the cases followed the application of the vaccine, but there were places or flocks in which the disease developed where no vaccine was used. But of the 22 flocks in which the vaccine was used, 12 developed the disease in Nova Scotia. Much better results were obtained in the province of Ontario than in Nova Scotia. In starting any of these experiments in connection with anything of this kind you always run some risk. It is a matter of experimentation, and when there are losses of course they have to be paid for.

Mr. Black (Cumberland): As I understand it, Mr. Chairman, Newcastle disease did not develop in any instance in flocks in Nova Scotia, except where flocks had been vaccinated or had been in direct contact with flocks that had been vaccinated. I think that is the accepted statement in Nova Scotia.

Mr. Gardiner: Well, it is not accepted in the department here. Our officials have made a check, and they say there are a number of flocks in Nova Scotia where no vaccine was used but the disease developed. I have not been down there myself and I cannot give you any further information than what I get from the officials.

Mr. Laing: Will the minister put on record the schedule of payments in compensation for those birds at various ages, and will he tell us how it compares with compensation paid in any states of the United States, if there are any states that pay compensation for this disease at all?

Mr. Gardiner: Well, it is quite a big table. I would not like to read it all to the committee. It has been given as a return this session, has it not? If not I can see that it is put on the record as a return. It is correct to say that in the United States they do not pay compensation and they do not slaughter. It is not controlled down there by federal authority.

Mr. MacLean (Queens): Would the minister care to comment on the rumour that Newcastle disease has spread to sea birds in the maritimes? Is there any possible grain of truth in that? Will the minister give us an indication of how the compensation paid for poultry destroyed owing to Newcastle disease was arrived at, and how it compares with compensation paid for poultry destroyed on account of foot-and-mouth disease?

Mr. Gardiner: To answer the last question first, I understand the same schedule is used in connection with foot-and-mouth disease as the other. There is no evidence to indicate

whether there is anything to the story that sea gulls have taken the disease. We know nothing of it. On the other point having to do with the basis, the regulations require that the poultry destroyed shall be burned and destroyed absolutely, or deeply buried, one or the other.

Mr. Charlton: Is it not a fact that in the United States they have been vaccinating for this disease for a number of years?

Mr. Gardiner: In the United States, as I said a moment ago, it is not done federally. Whatever is done is done in the individual states, and there may be some difference in the manner in which it is done. Anyone can buy the vaccine in the states and use it. Of course if one buys it, he uses it at his own risk.

Mr. Charlton: That would be the reason there is no compensation over there? It has been the accepted practice for some years to vaccinate for Newcastle disease in the United States, and there is no reason why any compensation should be paid. While I am on my feet I should like to ask the minister whether he can give us the standing now of the t.b. testing work being done county-wide across Ontario.

Mr. Gardiner: As is well known by hon. members, we took most of the veterinarians who were available across the country out to western Canada, and that has slowed down the program considerably. But in order to indicate what has been going on it might be worth while to place on record the number of animals slaughtered in the last eight years under the act having to do with tuberculosis. In 1944-45 there were 5,037; in the next year, 3,040 and in the next year 3,659. Then in 1947-48 we put on the larger program, following the war, and the number went up to 12,413. There were 31,106 in the next year; there were 31,426 in the next, and in 1950-51 the figure was 21,019. That is a summary of the total number of animals slaughtered in an effort to eradicate tuberculosis.

Mr. Charlton: How many counties remain to be tested in southern Ontario, or in that part of Ontario known as the older section, as contrasted with the newer section?

Mr. Gardiner: The initial test has been completed in all the counties and districts in Ontario.

Mr. Charlton: How many counties now under the accredited area plan have attained that status?

Mr. Gardiner: I have here a list somewhat more than a page in length, setting out the counties in Ontario. I would say there would be 30 or 40 of them.

Mr. Charlton: What would be the percentage, roughly?

Mr. Gardiner: I would say about 75 per cent.

Mr. Charlton: I believe quite a few counties were tested only recently for the first time. They could not be accredited areas yet.

Mr. Gardiner: According to this list I find 37 of the Ontario counties are accredited, so I was not far out in my estimate. The simple way to get this information would be to secure a copy of this pamphlet. It can be had at any time.

Mr. Charlton: What has been the decrease in the percentage of reactors on second test, as against second-test reactors ten years ago?

Mr. Gardiner: In the county of Bruce I find that in 1947 there were 114,029 tested and that 5,324 were reactors. This is a percentage of 4·6. Then in 1930 the percentage in the county of Dundas was 22·4, whereas in 1948 it was only ·1 per cent. That gives an indication of what has taken place. The percentage was very heavy in that county 22 years ago. Four years ago, as is seen by the figures, it was down to one-tenth of one per cent. That would seem to be a good illustration of the success in checking the disease.

Mr. McLure: Prince Edward Island is a disease-free area for cattle. How often must they be tested to maintain their standard?

Mr. Gardiner: When the tests show that the number of reactors is reduced to one-half of one per cent the area is accredited for three years, which means that it has to be checked at the end of that time. When it is two-tenths of one per cent it is accredited for six years, at the end of which time the test would be made again. The area is accredited on the basis of the extent to which the disease has been eradicated.

Item agreed to.

25. Compensation for animals slaughtered, including compensation for eggs destroyed from infected premises under terms and conditions approved by the governor in council, $1,040,880.

Mr. Cardiff: Has the compensation included in this item anything to do with animals slaughtered by reason of the foot-and-mouth disease?

Mr. Gardiner: The amount paid in compensation under the Animal Contagious Diseases Act is in this vote, but the part which

was contributed by reason of the passing of the special act at the beginning of this session was voted in the estimates of last year. It was a special supplementary vote for last year and not this year, and it does not appear in these estimates.

Mr. Blackmore: I should like to have a word or two to say on the general foot-and-mouth disease situation. First of all I should like to point out that since the outbreak of the foot-and-mouth disease epidemic or plague members of the Social Credit group have said very little on the floor of the house. There is a definite reason for our reticence.

Mr. Riley: You are not reticent.

Mr. Blackmore: Social Crediters deeply regret the wide and panic-spreading publicity that has been contributed to so substantially by some members of this house. I simply marvel at what they have done. I could name those who have got up on the floor of the house since the outbreak and spread panic-creating propaganda over the world greatly to the detriment of everybody in the Dominion of Canada who is raising stock. I must confess that I simply cannot see how a responsible member of parliament can possibly justify himself in doing that. No Social Crediter contributed in any way, shape or form to any such thing.

On March 3, as recorded at page 43 of *Hansard*, I said that Social Crediters would expect the government to do everything possible (1) to discover the source of the infection, (2) to determine responsibility, (3) to exterminate the disease and (4) to protect the livestock industry from impairment.

We have been watching the record of the government with respect to these four points. As to the first three, I would say that the government has done very well under the circumstances. It is easy enough to get up and find fault with the performance of any particular group of officers in the field after an incident like the foot-and-mouth disease outbreak has taken place, but I wonder how many of the members who have so voluminously declaimed against the government regarding this matter have computed how many officers it would be necessary to have in the field all across Canada from coast to coast to enable the disease to be detected and more readily and quickly than it was in this instance.

That is the first thing responsible critics ought to take into consideration. I wonder if the men who have had so much to say in criticism and condemnation would be willing to vote the amount of money necessary to pay the increased staff that would be needed all over the country to provide the supervision which would be required to detect this kind of outbreak any faster than it was detected. That is the kind of thing Social Crediters have been bearing in mind.

I said a moment ago that I believed the government in the main deserved commendation for the way it had handled the foot-and-mouth disease, that is with respect to the three matters I have mentioned, namely discovering the source of the infection, determining responsibility, and exterminating the disease, which after all were the first things it was necessary to take care of.

As to the fourth point, I believe the federal government has left much to be desired so far as protecting the livestock industry of Canada from serious impairment is concerned. There have been very serious losses. In one of the western newspapers I noticed about four weeks ago an estimate that Alberta had already lost $14 million through decline in livestock prices since the outbreak of foot-and-mouth disease. That was serious enough, but the amount must be double and probably more than that by now. I have on my desk a pile of over sixty letters from all over my constituency. They are written by farmers who are in the main either feeders of stock or stockmen. These letters serve to indicate the kind of disaster which struck the people of my constituency.

There is a special reason why my constituency was hard hit. As I have pointed out in the house once or twice already, the wet weather last year did a great deal of damage. Many people who had crops in the fields that were snowed under, or that were growing on land too wet to deal with, bought livestock to carry through the year in the hope of having them eat the grain lying on the ground. When the foot-and-mouth disease struck they lost not only what they should have been able to get on the livestock but a great deal of their crop as well. This matter has been given no attention by the government, and probably there are reasons why it would not be; nevertheless that is the kind of situation that has existed in one of the important ridings of this country with respect to the production of grain and livestock.

As I said, I believe the federal government, as regards protecting the livestock industry from impairment, left much to be desired. In the first place I would say the floor prices were altogether too tardily announced. In spite of everything men could do many people became somewhat panicky and began to dispose of their cattle at lower prices than they should have obtained because the floor prices were not announced soon enough. Then

when the floor prices were announced they were too low. The lowest floor price which should have been made available to the feeders in my constituency was 28 cents, if they were to be saved from damaging losses. Much of the livestock which were fed in my constituency cost 30 cents in the fall. To offer feeders of such cattle 25 cents for the finished product after they had put into that product their feed and labour was simply to condemn them to heavy losses.

Again, there was the general criticism that the government made no provision for seeing to it that the producers received the full benefit of the floor price. Far too many people reported to me that they simply could not get a price comparable with what the floor price indicated they should be able to get. There were always certain reasons offered by those who would buy, and in many cases producers found it extremely difficult to get people who would buy. There was not adequate provision to see that producers were able to sell their finished animals. The minister will remember the difficulty which arose in 1942 because buyers simply neglected a number of herds by just not coming around or if they did come around—

The Chairman: Would the hon. member tell me how he relates his remarks to the item under discussion—that of compensation for animals slaughtered?

Mr. Blackmore: We are talking about the general effect of foot-and-mouth disease on the livestock situation in my home constituency. If that is not relevant I do not know what is.

The Chairman: I am afraid it is a subject which could have been dealt with in the general discussion, and I think it was. I remember there was considerable discussion about foot-and-mouth disease and, according to the procedure followed throughout the study of these estimates ever since they have been before the committee, I think the remarks of all hon. members should be strictly relevant to the item before us. I think the hon. member early in the evening asked the Minister of Agriculture about the actual situation in regard to compensation. He was quite in order then, but I am afraid he is not in order now.

Mr. Blackmore: I asked earlier in the evening simply to protect myself against this very thing. I asked the minister if it would be all right to discuss the foot-and-mouth disease under a given item, and he gave this item. I could have discussed the matter under the general item, but it would have taken as much time as it will take now. There was such a tremendous amount of crying over spilt milk when the general item was under discussion that I thought it better to wait until we had cleared the air a bit.

Now, Mr. Chairman, if you say I must not discuss this I will have to stop, but I must say I do not believe the ruling is fair. Up to the present time for several departments we have been allowed considerable latitude under item 1 and then again under the individual items. I maintain that what I am saying is strictly relevant to foot-and-mouth disease experience although not necessarily relevant to payment for slaughtered animals.

An hon. Member: What is your opinion worth?

Mr. Blackmore: My opinion would be worth something on the matter.

An hon. Member: How much?

The Chairman: Order. May I intervene at this point. The hon. member has expressed the view that he is in order in discussing the matter he has been talking about for the last few minutes. The hon. member and myself have been in agreement sometimes and at other times we have not been in agreement; but I want to thank him for having said in advance that he will accept the ruling I give.

If I understood the question correctly from here, he asked the Minister of Agriculture to make a statement about compensation which had been paid in connection with the foot-and-mouth disease epidemic. I think the minister said that when this item was called he would make a statement about the amounts that were paid and what this vote was for. However, that may not have been the question the hon. member asked, though it is what I heard. In any event I think we are in agreement that the whole matter of foot-and-mouth disease has been discussed. If the hon. member wished to go further into the causes of the epidemic or the way it was dealt with by the officials, or the consequences which might have been suffered because of the epidemic, I think all that was a matter for the general discussion which took place last evening and lasted for a few hours. I hope the hon. member will be satisfied to deal with the compensation being paid for animals that were slaughtered.

Mr. Blackmore: I think a great deal more ought to be said, and that it is perfectly in order to say it; but as I say, I will bow to your ruling, Mr. Chairman. What you thought you heard was not at all what I asked the minister, but I do not blame you because I too cannot hear you in many cases because of the outrageous clamour on the side which goes on all the time.

An hon. Member: Talk louder.

The Chairman: Order.

Mr. Blackmore: I bow to your ruling, but I will look to a future time to say the things which I think need to be said.

The Chairman: Shall the item carry?

Item agreed to.

Plant products—

27. Seeds, feeds, fertilizers, insecticides and fungicides control, including grant of $40,000 to Canadian Seed Growers' Association, $1,386,188.

Mr. Charlton: On page 102, Mr. Chairman, there is an item of $30,000—

The Chairman: Order. It is quite difficult for the Chair to understand the member who has the floor when other hon. members who are not supposed to speak are speaking almost as loud as the hon. member who has the floor.

Mr. Charlton: Thank you, Mr. Chairman.

Mr. Sinnott: There will be a slaughter this time.

Mr. Charlton: I am willing to wait. Do you want to stay another week?

Mr. Proudfoot: I only live 75 miles from here, so I can stay.

Mr. Blackmore: You may have to yet if you are not careful.

The Chairman: Order. If hon. members wish to speak they must rise and address the Chair.

Mr. Charlton: There is an item under production service—professional and special services. What is that for?

Mr. Gardiner: It is for analysts and lawyers, largely. It is $5,000 less than it was last year.

Mr. Charlton: Special analysts? For what purpose?

Mr. Gardiner: Samples of fertilizer and that kind of thing have to be analysed, and lawyers are engaged across the country for the prosecution of those persons charged with breaking the law.

Mr. Fleming: To prosecute the analysts.

Mr. Charlton: Are there not permanent analysts in the department for that purpose?

Mr. Gardiner: Yes, but there are others employed from time to time.

Mr. Charlton: Do you mean that you get commercial firms to do these analyses?

Mr. Gardiner: Yes.

Mr. McLure: Does liquid fertilizer that has to be examined and tested come under this regulation?

Mr. Gardiner: Yes, I understand it comes under the same tests and regulations as the others.

Mr. MacLean (Queens): I had a question on item No. 26. There is an item of $95,000 for the purchase of livestock. Would the minister just give a word of explanation on that?

Mr. Gardiner: That is for the purchaser of bulls for the bull loan policy.

Mr. Charlton: I should like to ask the minister if there are any strings attached to the $40,000 grant to the Canadian Seed Growers' Association?

Mr. Gardiner: No, there are no strings to it. It is an outright grant.

Item agreed to.

28. Grants to fairs and exhibitions, under such terms and conditions as may be approved by the governor in council and subject to allocation by the treasury board, $645,700.

Mr. McLure: Are there any extra seed fairs in class A now or are they the same as usual? I see there is a reduction in the amount of the grant for these class A fairs. Another question I should like to have answered is, what revenue does the government receive from class A fairs? I understand that the government, through different forms of taxation, secures a greater revenue than the Department of Agriculture pays out in grants.

Mr. Gardiner: In answer to the first question, which I understand is whether there are any seed fairs in class A or class B, I may say that there are no seed fairs in those classifications obtaining grants. Exhibits of seed, and that kind of thing, are made at the usual exhibitions.

In answer to the second question, there are no revenues from the class A or B fairs. Our activity in connection with them is the paying of the grants.

Mr. McLure: There is revenue, but it may not go to the agriculture department. There is revenue from all the betting at the parimutuel machines, and on the tickets that are sold.

Mr. Gardiner: There was during wartime. We did get some revenue from that during the war, but it now goes to the provinces.

Mr. Dinsdale: At page 103 of the details I notice there is an expenditure of $280,000 for building grants. Will the minister indicate the kind of expenditure represented by this item?

Mr. Gardiner: Those are agreements—we had one with Brandon—under which we pay

a part of the cost. It is usually a three-way agreement under which we pay one-third, the province pays one-third and the exhibition board takes care of the other third by some means or other. In some places that portion is met by the municipal corporation in which the exhibition is situated. It is a three-way arrangement under which we pay over a ten-year period.

Mr. Dinsdale: Would it apply to fairs outside of the A or B classifications?

Mr. Gardiner: No, just to A and B.

Mr. Black (Cumberland): This is a very important appropriation, $645,700, in which we are directly interested. There is a grant of only $5,500 to the maritime winter fair, which is the senior winter fair in Canada and serves the three maritime provinces of New Brunswick, Nova Scotia and Prince Edward Island. It has contributed more over the years to the improvement of livestock in that part of Canada than any other agency. I do not know how long they will be able to continue unless the grant from the federal government is materially increased. The fair could not operate at the present time except for the co-operation of the stock breeders and citizens of the town of Amherst. I gather from this estimate that the same amount is provided this year as was provided last year. I would ask the minister if consideration has not been given to at least doubling the grant to the maritime winter fair. It is urgently needed, and if there is any fair in Canada upon which an expenditure of this kind is warranted it is the maritime winter fair.

Mr. Gardiner: The amount, of course, is the same to all fairs right across Canada. The general grant is $5,000. I note that Amherst does earn another $500. The extra $500 is for junior work, but I presume if the others did the same work they could earn the $500. It is just a general grant of that amount for each fair, and it is not expected we are going to increase it.

Mr. Black (Cumberland): I want to point out to the minister and the committee that with present-day costs the grant is inadequate. There should be a minimum of $10,000.

Mr. Charlton: Can the minister tell us whose responsibility it is to classify the fairs? Has there been any change this year? I understand that one or two of their fairs in my own district have asked for reclassification. Have there been any changes in those classifications this year, and how many have increased their classifications?

Mr. Gardiner: Whether it is a class A or B fair is determined in the first instance by provincial classification. In so far as we are concerned, we pay a grant provided the fair has paid out a certain amount in prizes for three years. If application is made after qualifying in that way, consideration is then given to the application.

Mr. Charlton: What are the different classifications, other than A and B?

Mr. Gardiner: Fairs paying a minimum of $5,000 in prize money each year for an average of three years are in the category known as class A, and up to a minimum of $3,000 are class B. There are no other classifications in so far as the federal department is concerned.

Mr. Charlton: Has Paris been reclassified this year?

Mr. Gardiner: No, Paris has not.

Mr. Charlton: Both Paris and Rockton have asked for reclassification. Has Rockton fair been reclassified?

Mr. Gardiner: Rockton is under investigation now, and so is Paris, but neither of them is in.

Mr. Charlton: Neither has been accepted yet?

Mr. Gardiner: No.

Mr. Charlton: When will that decision be made?

Mr. Gardiner: I understand it is made just as soon as we get the evidence in and the facts are established. I understand that evidence has come in very recently, but the decision has not yet been announced.

Mr. Charlton: It has been in quite a while.

Mr. Gardiner: I cannot tell you when it came in, but apparently it is in.

Item agreed to.

29. Grants to agricultural organizations, as detailed in the estimates, $64,500.

Mr. Black (Cumberland): I should like to ask where this appropriation of $5,000 is spent on Canadian hunter, saddle and light horses. It is probably well warranted, but I want to again point out that it is just about the same as the grant for the entire maritime winter fair serving the three maritime provinces.

Mr. Gardiner: Yes. There is a $5,000 grant to the association that promotes the breeding of saddle horses.

Mr. Black (Cumberland): Where is that located?

Mr. Gardiner: The head office is at Toronto, but it is for all Canada.

Item agreed to.

Marketing service—

30. Marketing service administration, $259,498.

Mr. Coldwell: Can the minister give us a brief résumé of just exactly what is involved in these marketing services and what co-operation there is between this branch and the Department of Trade and Commerce? The two departments are engaged in marketing. I notice that the main amounts in this particular appropriation of $216,265 out of the $259,498 are for salaries. Perhaps the minister could give us briefly a summary of the work of this branch. I am not asking for a long explanation, but just for a few words.

Mr. Gardiner: Having regard to general agricultural products, the two branches are concerned with the home market and the market outside of Canada. That is, we have charge of the marketing of all farm products in Canada with the exception of grain.

Mr. Coldwell: Within the country?

Mr. Gardiner: Within the country.

Mr. Coldwell: That is what I thought.

Mr. Gardiner: All activities in connection with that matter are carried on by us. But when it comes to the matter of advertising outside of Canada or to carrying on activities in connection with the marketing of a product, that is something which is carried on through the Department of Trade and Commerce. We have a few men in Britain. We have one man established in London. Then we have, I think, six inspectors under him at the different ports. We take care of that part of the marketing cost.

I think probably the point that is in the mind of the hon. member has to do with the different methods by which the grading and all the administration activities having to do with the marketing of grain are carried on. That is charged up to the grain. It is carried on through the Department of Trade and Commerce, the head office being at Winnipeg. The reason for that is largely the fact that in the beginning it had to do altogether with wheat and has been applied more or less to oats and barley since we put oats and barley under the wheat board. It had to do with wheat because practically all the wheat that was grown in Canada and that was being shipped long distances passed through Winnipeg. It was therefore a simple matter to have all the inspection and the grading done there at Winnipeg.

That procedure could not be made to apply to other farm products. For example, with regard to cattle, there are probably as many marketed at Toronto or at Montreal as at any other point. Some are marketed at Calgary, Edmonton and so on. You cannot take any one point and set up an organization there on the basis that any of the other products would pass through there. We take care of the inspection, grading and all activities having to do with the marketing of those products. That activity is paid for out of these votes. There is that difference between the grading of grain and the grading of the other products. The cost of carrying on that marketing activity is charged up to the treasury of Canada; but as to grain, it is charged up to the farmer's grain and is paid for out of that. That is the main difference between the two.

Mr. Coldwell: The reason I had for asking the questions was that today I sent to the Minister of Trade and Commerce the original of a letter that I had from Britain. I do not know why I was written to about it. The letter reads as follows:

> For many years prior to the war we imported thousands of Canadian turkeys.
>
> Since the war, we have made many but so far unsuccessful attempts to recommence this trading, due chiefly to the dollar situation.
>
> If possible, we would like to have a supply for Christmas of 1952 and would be obliged to hear if you can possibly help us.
>
> Our approximate requirements are 10,000 hen turkeys 8 lbs. to 12 lbs. each.
>
> The enclosed letter will substantiate our remarks.

The enclosed letter which I also forwarded to the Minister of Trade and Commerce simply indicates that this was a bona fide dealer who has dealt extensively in Canada in years gone by. I presume the difficulty arose through the dollar situation. I was wondering what facilities there might be, either through the minister's marketing agency or through the Department of Trade and Commerce, to try to open up a market of that description for poultry, turkeys in particular which may this year, as they were in the United States two years ago, be in over-supply. I have always thought some arrangement might be made, and I offered a suggestion in connection with the $1,200,000,000 British loan, that payments might be deferred without interest if the amounts coming to Canada, last year about $26 million, were used within this country for the purchase of farm products like cheese, apples, poultry and so on. I sent the letter to the Minister of Trade and Commerce, as I said. I suppose I sent it to the right minister. Is any part of the minister's organization engaged in this activity, namely in trying to find ways and means of disposing of poultry, for example, and meeting the requirements of dealers like this Mr. John Donaldson who wrote to me from Manchester, England, under date of June 6 of this year?

Mr. Gardiner: There is, of necessity, close co-operation between the Department of

Trade and Commerce and this department. They get their information from us as to what the surplus of a product is likely to be. If there is no surplus of the product to be sold outside this country, of course the Department of Trade and Commerce would not have any considerable interest in it; and probably we would not be required to have much interest in it either, other than to keep check on it, because the trade itself would fairly well take care of any transactions in it.

With regard to a surplus to sell anywhere, immediately we get information which indicates that there is a great surplus, as we have this year in connection with the production of turkeys, we make a search for markets. Unfortunately for us there is a great increase in the United States as well. The two increases may make it rather difficult for us to market as many as we would desire to market in the United States. But when it comes to marketing in Britain, of course the problem with regard to turkeys is the same as it is with regard to anything else, namely that Britain is more likely to buy her supply from sterling areas, if she can get it, than she is to buy it here. If she were going to buy it here, I am afraid the price would not be anything like what we would expect in this country. But in any case we search for markets wherever we can find them.

Mr. Blackmore: I think probably I can say what a moment ago I intended to say, under this item, because it has to do with marketing. May I just preface the brief remarks which I shall make tonight upon this matter by reading an excerpt from the minister's speech before the Canadian Club at Winnipeg on January 9, 1952. He used these words, which I think have great significance:

> My conversations convinced me that Britain's need for our food is as great as ever. We are supplying her with more wheat and flour than ever before in pre-war peacetime. We are supplying her with less of every other food we produce than at any other time over a long period. We should be able to find some way of making a trade with Britain and others which will result in our being able to send our food in exchange for something she has which we want.
>
> That which she has, which we need more than any other thing, is people. Sir Clifford Sifton stated at one time that each immigrant was worth $1,000 to Canada. I am sure we will all agree now, fifty years later, that he was right. If an immigrant was worth $1,000 in his day, one is worth $2,500 today; 100,000 immigrants would be worth $250 million.
>
> That figure could be multiplied to whatever multiple is necessary by moving surplus population from Britain to Canada. They would produce raw materials and food here to help keep employed and feed those at home. If that kind of an exchange cannot be satisfactorily worked out to balance over 50 years, it is not dollars that are lacking, it is ideas.

I should like to concentrate for a minute or two on "the ideas". How in the name of common sense is it that we cannot find in the government "ideas" which are necessary to enable the minister to transact the negotiations which he visualized on that occasion? When I was talking about the effect of foot-and-mouth disease on the people in my constituency, great numbers of whom are stock producers—

An hon. Member: Louder, please.

Mr. Blackmore: Can't you keep your peace at all?

Mr. Riley: Are you looking at me?

Mr. Blackmore: Whoever made the remark.

Mr. Riley: Don't look at me.

Mr. Blackmore: In my constituency the feeders were very seriously injured because there was no adequate means of taking off the surplus products that became ready for market. A similar problem is beginning to face us in Canadian agriculture, as we might say, all across the board. If we cannot now solve the problem of selling turkeys, for example, which was the question the hon. member for Rosetown-Biggar raised, to Britain when the British need the turkeys and we need the market for the turkeys, then it is high time we concentrated all our energies for a while on the solution of that problem. It is obviously a problem that depends on money, it is a problem that ought to be possible of solution.

I would say to the minister that my main criticism of his handling of the stock situation in connection with the foot-and-mouth disease is this: As soon as the outbreak occurred the minister should have declared that the government would buy all the surplus beef, pork and mutton as it became ready for the market. The government would not have had to buy directly from the producers; they could have bought from the packing plants enough to make room for the products that became ready for markets. They could then have sent those meat surpluses to Britain as a gift.

The question would be raised immediately, where would we get the money? Well, first of all would that have been the solution? Certainly that would have been the solution. If the government had announced that it would take the surplus just as fast as it became ready for the market, just as though that surplus were going to the United States, and sent the surpluses to Britain on a line

of interest-free credit, even then there would have been no tragic fall in prices such as was registered all across Canada, with consequent losses immeasurable and incalculable to the livestock industry of Canada and the Canadian economy generally.

The question will be raised as to whether or not the money could have been found. I do not intend to go into details. I referred to this matter yesterday in a talk on the finance bill. I want to refer to what happened in world war I for the minister's sake. I think he was right in the chamber when I was mentioning it. In world war I the Canadian government created money under the Finance Act of 1914 and bought $50 million worth of wheat and passed it to Britain. They received no return for some time. By 1927 Britain had paid back all of the loan with goods which Canada had accepted from Britain, but the important things to bear in mind in this connection are these: That money did not cost Canadians a cent. It was not borrowed from anyone; it was not taxed from anyone. It was good money. It bought the wheat; it paid the men who produced the wheat. It was just as valuable to the Canadian economy as any money that possibly could have been put into the Canadian economy, and it would have been valuable and continued valuable even if Britain had never repaid with goods. Once we can register that simple fact, and the minister can get it accepted by a sufficient number of the cabinet, starting with the Minister of Finance, then we will have the "ideas" with which to solve that problem which he propounded before that important audience in January, 1952; until he can find a solution such as that there is no solution available. Knowing the simple fact, he could have dealt, and now would be able to deal, with the problem of marketing our surpluses.

Let us all face that fact. Either we strangle our agriculture to death at this time, when we are capable of the greatest production in our history, and when the world needs that production more than it ever did in all history—either we strangle our agriculture to death and cease to play as important a part in world affairs, and cease to keep our economy prosperous, or we find the "ideas" with which to market abroad without having goods coming in from foreign countries.

That illustration I have given, and which I gave yesterday, shows what can be done. I think I can safely encourage the minister to defy any member of the cabinet, or all of them put together, to show why that simple device would not have worked in the case of the foot-and-mouth disease. It would have saved Canadian stock producers great quantities of money; saved them from disposing of their livestock, their breeding stock, and saved them from losing confidence in the future, with all the evil effects that are going to devolve from those three ill results.

If one bears in mind that this device could have been used, then I think he must realize that the Department of Agriculture and the Canadian government were open to severe censure in their method of dealing with the marketing situation which developed from the outbreak of foot-and-mouth disease. Therefore that is the criticism I have to offer, and the reason I offer it. And that is the suggestion I have for the future.

Item agreed to.

31. Agricultural economics, $579,455.

Mr. Wright: What is the function of these various economists who are listed on page 105 under this item of $579,000? What functions do they perform?

Mr. Gardiner: These are the men who operate under Dr. Booth, the chief economist of the department. They make investigations with regard to cost of production across the country, and investigations with regard to marketing. These investigations are going on constantly in different parts of the country.

Mr. Wright: Do they do any work to determine what might be an economic unit in various types of farming, say in the dairy industry; whether ten head of milk cows or twenty head of milk cows would make an economic unit on a farm, or how many acres of orchard may be an economic unit, or how many acres under cultivation in grain in western Canada? Is any work done by that department to ascertain this information?

Mr. Gardiner: They conduct surveys in co-operation with the provinces on all matters of that kind, and they do make reports on units which may help in different kinds of production.

Mr. Wright: Are any available that have been made in recent years?

Mr. Gardiner: Yes; they are being published constantly, and can be obtained.

Mr. Charlton: Under what item does the minister want us to ask questions regarding products purchased under the Agricultural Prices Support Act.

Mr. Gardiner: Under item 51.

Mr. Charlton: I want to make it quite clear that it is not just the administration of the Agricultural Prices Support Act that I want to ask about. I want to make sure I will not be out of order when I get down to item 51.

Mr. Gardiner: The amount of money available is in the supplementaries. It could be discussed under that item.

Mr. Wright: What publicity is given to these reports of economic units, or other work done by this group?

Mr. Gardiner: They are listed monthly in a publication that is put out by the department, and can be obtained by writing to the information service.

Mr. Coldwell: Are many published? When a booklet of this description is published, how many are available?

Mr. Gardiner: Different numbers are published, depending upon whether they are simply published for the use of experts, or whether they are to be distributed to different groups. If they are for general distribution many more of them are published. It would depend upon what experience has shown would be a proper distribution.

Mr. Coldwell: My hon. friend and I are interested in seeing that the reports are made available. Here is a group of men who are not only capable but who are important to the industry. These economists perform a most useful service. How are people encouraged to get their reports and make the best use of them? If I were to be given a list of publications it might mean something or it might mean very little. Are they reviewed in any way, so that anyone looking at the list would realize the importance of certain of these documents?

Mr. Gardiner: I have known Dr. Booth over the years. He began his activities on a farm in Saskatchewan. I believe he was the first economist employed, years ago, by a provincial government. He has been a fairly good publicist himself. He has always seen to it that, in respect of any of these that are important, a review is given to the press. These reviews of course induce many to write for the publications. The only means, however, by which individuals can find out what these publications are is to send in to our publicity branch for a list of all the publications in the department. This will be sent to anyone asking for it, free of charge. These particular publications are also free to anyone asking for them.

Item agreed to.

32. Dairy products, $731,243.

Mr. Catherwood: What is the figure of imports of butter and cheese during the last year?

Mr. Gardiner: Of butter, the imports were just over 17 million pounds, and of cheese the imports were between 6 million and 7 million pounds.

Item agreed to.

33. Subsidies for cold storage warehouses under the Cold Storage Act, and grants, in the amounts detailed in the estimates, $446,066.

Mr. McLure: Is the North Wiltshire Dairy Company getting a grant, and will that be their final grant? Have the Crapaud Dairy Company and the New Glasgow Dairy Company been paid their final amounts?

Mr. Gardiner: I understand the two last mentioned are dealt with in the supplementary estimates.

Item agreed to.

37. Freight assistance on western feed grains, $5,750,000.

Mr. Fair: This freight assistance is a good thing for both eastern and western Canada. What has been paid during the last fiscal year, and what has been the total amount since the program was introduced?

Mr. Gardiner: This past year the amount was between $16 million and $17 million. Feed freight assistance through the years, down to 1949-50, has cost $138,937,000.

Item agreed to.

38. Agricultural lime assistance, $460,000.

Mr. Hodgson: What is the purpose of this vote?

Mr. Gardiner: It is mostly for payments made in respect of lime in the maritime provinces and in Quebec. The province operates the plan of encouragement in the use of lime, and we pay 60 per cent of the cost.

Item agreed to.

39. To provide for quality premiums on high grade hog carcasses and administration costs, $6,224,590.

Mr. Charlton: What is the percentage of grade A and grade B-1 now as compared to last year?

Mr. Gardiner: It is about the same as last year. I understand the grade A's are about 32 per cent.

Mr. Charlton: What has happened in the last three months would have knocked that figure out of balance.

Mr. Gardiner: Grades A and B together are about 75 per cent.

Mr. Charlton: But there nas been a considerable change in the last three months. What effect has it had on the variation of grades?

Mr. Gardiner: I understand there has not been much change. However, we will have the information tomorrow.

Mr. Black (Cumberland): Has the department increased the allowance for lime for the farmers of Nova Scotia during the past year?

Mr. Gardiner: As I said a moment ago, this operation is carried on by the province. We contribute 60 per cent of the cost.

Mr. Black (Cumberland): If a farmer pays an additional amount, does that revert to the federal government?

Mr. Gardiner: No; we receive no money back.

The Chairman: Shall I leave this item for further consideration?

Mr. Charlton: Eleven o'clock.

Item stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we will consider the Senate amendments to Bill No. 306, to amend the Combines Investigation Act. I understand the government has no objection to these amendments which are coming from the other place, so they will take no time. Then we will consider Bill No. 393, to readjust the representation of the House of Commons. That may take a little more time. Then we will take the balance of the estimates, agriculture, post office, national revenue, legislation, citizenship and immigration, finance and any other remaining items.

Mr. McLure: May I ask the leader whether the house will sit after six o'clock tomorrow night?

Mr. Fournier (Hull): Oh, yes; we will sit until eleven o'clock.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

[The following items were passed in committee of supply]:

DEPARTMENT OF AGRICULTURE

Administration service—

1. Departmental administration, $344,433.

2. Information service, $381,216.

3. Advisory committee on agricultural services, $5,000.

4. Contributions to commonwealth agricultural bureaux, $105,579.

Science service—

Science service administration—

5. Operation and maintenance, $465,586.

6. Construction or acquisition of buildings, works, land and new equipment, $1,331,525.

Animal pathology—

7. Operation and maintenance, $462,546.

8. Construction or acquisition of buildings, works, land and new equipment, $81,895.

9. Bacteriology and dairy research, $191,189.

Botany and plant pathology—

10. Operation and maintenance, $1,233,231.

11. Construction or acquisition of buildings, works, land and new equipment, $139,700.

12. Chemistry, $641,705.

Entomology—

13. Operation and maintenance, $1,814,150.

14. Construction or acquisition of buildings, works, land and new equipment, $124,830.

Forest biology (formerly forest entomology)—

15. Operation and maintenance, $1,644,580.

16. Construction or acquisition of buildings, works, land and new equipment, $195,555.

17. Plant protection, $834,340.

Experimental farms service—

18. Experimental farms service administration, $171,213.

Central experimental farm including research and co-ordinating divisions for the experimental farm service—

19. Operation and maintenance, $1,937,431.

20. Construction or acquisition of buildings, works, land and new equipment, $325,765.

Branch experimental farms, substations and illustration stations—

21. Operation and maintenance, $5,384,946.

22. Construction or acquisition of buildings, works, land and new equipment, $976,070.

Production service—

23. Production service administration, $57,998.

Health of animals—

24. Administration of Animal Contagious Diseases Act, and Meat and Canned Foods Act, $4,889,025.

25. Compensation for animals slaughtered, including compensation for eggs destroyed from infected premises under terms and conditions approved by the governor in council, $1,040,880.

26. Live stock and poultry, $1,547,745.

Plant products—

27. Seeds, feeds, fertilizers, insecticides and fungicides control, including grant of $40,000 to Canadian seed growers' association, $1,386,188.

28. Grants to fairs and exhibitions, under such terms and conditions as may be approved by the governor in council and subject to allocation by the treasury board, $645,700.

29. Grants to agricultural organizations, as detailed in the estimates, $64,500.

Marketing service—

30. Marketing service administration, $259,498.

31. Agricultural economics, $579,455.

32. Dairy products, $731,243.

33. Subsidies for cold storage warehouses under the Cold Storage Act and grants in the amounts detailed in the estimates, $446,066.

34. Fruit, vegetables and maple products, and honey, including grant of $5,000 to the Canadian horticultural council, $1,171,560.

35. Live stock and live stock products, $1,370,682.

36. Marketing of agricultural products, including temporary appointments that may be required to be made notwithstanding anything contained in the Civil Service Act, the amount available for such appointments not to exceed $6,000, $100,000.

Terminable services—

37. Freight assistance on western feed grains, $5,750,000.

38. Agricultural lime assistance, $460,000.

HOUSE OF COMMONS

Saturday, June 28, 1952

The house met at eleven o'clock.

GERM WARFARE

DR. ENDICOTT—STATEMENT RE RESIGNATION FROM UNITED CHURCH

Hon. Stuart S. Garson (Minister of Justice): Mr. Speaker, when I made a statement concerning Dr. James G. Endicott in this house on Wednesday last I was under the impression—as I think most people are—that he was an ordained minister of the gospel; and I referred to him as such. I have now received a communication from the Reverend J. A. C. Kell, M.A., secretary of the Toronto conference of the United Church of Canada, stating that:

. . . James G. Endicott has not been a minister of the United Church of Canada since his resignation from our ministry under date of May 5, 1946, and has not appeared on our rolls since that time. The degree which he received prior to his break with the church carries with it no legal status and hence it has never been the custom of the church to withdraw such degrees except in the case of extreme moral disgrace.

The Reverend Mr. Kell also informs me that Dr. Endicott's letter of resignation was written from Chengtu, Szechwan, China, May 5, 1946, to the president of the Toronto conference of the United Church of Canada, Toronto, and reads as follows:

Dear Mr. President and Brethren,

I regret very much that I feel it is now necessary for me to resign from the ministry of the United Church of Canada. I will not attempt to go into any detailed explanation of how I gradually arrived at the necessity for making this decision. It has come after long and painful deliberations and travail of spirit. It is due primarily, of course, to a change in my own experience, understanding and explanation in regard to such matters as creeds, sacraments, especially orders and ordinations. It is also due to the fact that I now feel called to take an active part in the struggle for human betterment in the field of social and political movement, areas of life that are considered unsuitable for ministers to be active in unless possibly they happen to be on the "right" side.

I hope it will be possible for my resignation to take place without any undue publicity, especially of such a nature as would discourage people in their support of the overseas work of the church. It is not necessary for me to assure you that this decision on my part has been arrived at only after long and painful deliberations.

Yours very sincerely,

James G. Endicott

DOMINION COAL BOARD

TABLING OF FOURTH ANNUAL REPORT

Hon. George Prudham (Minister of Mines and Technical Surveys): I desire to lay on the table the fourth annual report of the dominion coal board for the fiscal year ending March 31, 1952.

Mr. P. C. Black (Cumberland): May I ask the minister if the report he has just tabled has been printed and is available to the members?

Mr. Prudham: It has now gone to the printers, and will be available very soon.

QUESTIONS

LAC MEGANTIC—WORK ON PROTECTION WALL

Mr. Courtemanche:

1. Since 1941, has any construction or repair work been done to a protection wall at Lac Megantic, county of Compton-Frontenac?
2. If so, was the work done by contract or by day labour?
3. If by contract, what was the amount for each year, and to whom were the contracts awarded?
4. If by day labour, what was the amount spent each year, and who were the foremen?
5. What is the purpose of said protection wall?

Mr. Fournier (Hull):

1. Yes.
2. By day labour.
3. Answered by No. 2.
4. 1949-50 (a) $27,922.42; (b) J. A. Fillion.
   1950-51 (a) $33,680.97; (b) J. A. Fillion.
   1951-52 (a) $19,660.88; (b) J. A. Fillion.
5. To protect shore against erosion.

CANADIAN NATIONAL RAILWAYS—CONSTRUCTION WORK BY WELCH COMPANY

Mr. Knowles:

1. Is the R. E. Welch company, of Port Arthur, doing construction work for the Canadian National Railways in the region of Canora, Saskatchewan?
2. If so, how many men are being employed by this company as an extra gang on the Canadian National tracks in the said area?
3. What wages are paid to these men by this company?
4. How much does this company collect from the Canadian National Railways for the work these men are doing?
5. Does this company collect from the Canadian National any amount for board for these men? If so, how much?

Questions

6. Are Canadian National personnel used for foremen in connection with this work?
7. If so, does the R. E. Welch company pay their wages, or pay for their services in any way?

Mr. Fournier (Hull):

The Canadian National Railways advise as follows:

1. Certain track work is being carried on between mileages 53 and 54 of the Yorkton subdivision under a contract with the R. F. Welch Limited.

2. Forty-nine men are employed by the R. F. Welch Limited in the performance of the said contract.

3 to 7—concern the details of a current contract between the railway and a private company. It is not the policy of the railway to disclose the details of such contracts.

ROYAL CANADIAN NAVY—SEA-SHORE RATIO OF SERVICE PERSONNEL

Mr. Balcom:

What is the sea-shore ratio of officers and men in the Royal Canadian Navy?

Mr. Blanchette:

As of May 31, 1952, the sea-shore ratio was as follows:

Officers

Afloat	Ashore	Total	% Afloat	% Ashore
390	1,505	1895	20·5	79·5

Men

Afloat	Ashore	Total	% Afloat	% Ashore
4,905	7,127	12,032	40·7	59·3

JOHN SMITH INDIAN RESERVE, MUSKODAY—LAND LEASE

Mr. Wright:

1. On what date were the following parcels of land from the Muskoday, John Smith Indian reserve No. 99 leased: W½ of lot 8, 40-48-24/A -W2nd; W½ of lot 12, 40-48-24A -W2nd, containing approximately 160 acres each?
2. Who obtained the lease, and what was the bid per acre over and above the quarter crop required in the lease?

Mr. Harris (Grey-Bruce):

1. May 30, 1952.

2. Zachow Brothers, as represented by Carl H. and Edward H. Zachow, of Birch Hills, Saskatchewan—$2.50 per cultivated acre.

BELLERIVE, QUE., WHARF

Mr. Courtemanche:

1. Was a wharf constructed at Bellerive, county of Labelle, during the fall of 1951?
2. If so, at what cost?

[Mr. Knowles.]

3. Was the work done by contract or by day labour?
4. Under whose direction was such work carried out?

Mr. Fournier (Hull):

1. Yes.

2. $4,187.05.

3. Day labour.

4. J. C. Mailloux, (foreman).

ROBERVAL AND DOLBEAU, QUE.—POST OFFICES

Mr. Spence:

1. Are any steps being taken by the Department of Public Works with respect to the rebuilding or extension of the Roberval and Dolbeau post offices?
2. If so, when will each of these projects be carried out?

Mr. Fournier (Hull):

1. (a) Yes; (b) No information.

2. (a) It is expected that work will commence in 1953 on the Roberval post office; (b) Answered by No. 1 (b).

OLD AGE PENSION CHEQUES

Mr. Spence:

1. Are arrangements being made by the Department of National Health and Welfare to issue old age pension cheques in both languages to all recipients in whatever part of Canada they may reside?
2. If so, when will such measure take effect?

Mr. McCusker:

1. As was indicated in an answer tabled on June 26, 1952, (*Hansard*, page 3753) in reply to an inquiry of the ministry, all cheques issued on behalf of the government of Canada, including those for old age security, are produced and issued by the office of the comptroller of the treasury, Department of Finance.

2. As indicated in the House of Commons on May 6, 1952 (*Hansard*, page 1906) this matter is under continuous study.

BUSINESS OF THE HOUSE

QUESTIONS REMAINING ON ORDER PAPER—ORDERS FOR RETURNS

Mr. George A. Drew (Leader of the Opposition): Perhaps it would be appropriate, Mr. Speaker, if I were to mention the questions that have still not been answered at this point. There are some of those questions that have been standing on the order paper for some time. I agree that there has been a substantial reduction in the number of outstanding questions. Several of these, however, are questions which it would seem could have been answered. I would ask if the government could either give an undertaking or accept a motion that would have the effect

of making any question still outstanding when this part of the session terminates an order for return.

Mr. Fournier (Hull): So far as my department is concerned, I gave nearly all the answers to questions, except those that were on the order paper under the date of June 25, and today is only June 28. Question No. 17 on today's order paper reads as follows:

Mr. Spence:

1. Has any department of the government received a request for drainage work in the municipality of Mistassini, Quebec?
2. If so, has consideration been given to such request?
3. Will this work be carried out in the near future?

My impression is that drainage works come under the provincial government. I suppose I would have to look over the files to see whether, in the last ten or twenty years, we had any correspondence on the subject. I think that question should be dropped. Clearly, it is not under federal jurisdiction. In so far as the other two subjects are concerned, I can try to give answers on Monday. I shall do my best.

Mr. Drew: The minister, who is the house leader for the government, has referred to his own department. I would point out that the comments he has made in regard to one of those questions are comments that would, in the ordinary course of events, be put forward as reasons why particular questions should or should not be answered.

What I am really raising at the moment is the fact that some of those questions relate to subjects which may have demanded more extensive inquiry than others. I would point out that if the government is prepared to make them orders for returns, then they can be dealt with in the ordinary way during the period when we are recessed. Having regard to what I have said and to the indication the minister has given that he will review the questions relating to his department, may I ask that he have a review made of the other questions, and then it may be possible on Monday morning to indicate the willingness or otherwise of the government to make these orders for returns. If there are questions which in the opinion of the government cannot be answered, that could be pointed out and dealt with appropriately.

Mr. Fournier (Hull): I shall undertake to discuss the matter with my colleagues. I would ask that question No. 17 be dropped, because it does not come under our jurisdiction at all.

Mr. Speaker: It is agreed that question No. 17 be dropped?

Some hon. Members: Dropped.

Mr. Speaker: Dropped.

TRADE

PURCHASES FROM THE UNITED KINGDOM—PAYMENTS ON LOAN

On the orders of the day:

Mr. J. M. Macdonnell (Greenwood): I should like to ask a question of the Minister of Defence Production. Can the minister advise the house whether any further progress has been made in increasing Canadian purchases from the United Kingdom as a means of giving them greater purchasing power with which to buy from us and, in particular, has it been found possible to increase purchases of defence materials from the United Kingdom?

Right Hon. C. D. Howe (Minister of Defence Production): Mr. Speaker, speaking for the Department of Trade and Commerce, every encouragement has been given to provide purchasers in the United Kingdom with dollars. The sterling trade committee has been active in promoting purchases in the United Kingdom, and I think some success is following their efforts.

So far as the Department of Defence Production is concerned, orders were placed in the United Kingdom last year, that is in the fiscal year 1951-52, to the order of about $45 million, and the results of the last three months indicate that the orders placed in the United Kingdom will be considerably higher in the fiscal year 1952-53.

I might point out, however, that purchasing in the United Kingdom depends a great deal upon availability, and to date we have found it rather difficult to obtain there the materials, equipment and machinery that we need for defence production.

Mr. Coldwell: May I ask a supplementary question. Has any consideration been given to a proposal of this description, that payments on the $1,200 million loan be deferred, without interest, and the amount due Canada this year, we will say—last year I think it was $26 million—made available to the British to purchase in Canada such things as agricultural products, fish and so on.

Hon. Douglas Abbott (Minister of Finance): That matter has not been considered. The next payment on the United Kingdom-Canada loan will fall due in December, and there are certain provisions in the loan agreement, similar to the provisions in the United States loan, which provide for a waiver of the interest payment under certain conditions.

Inquiries of the Ministry

Mr. Coldwell: The government will consider that when the time comes?

Mr. Abbott: Those matters are always kept under consideration.

[*Later:*]

Mr. Macdonnell (Greenwood): May I ask a supplementary question of the Minister of Finance with respect to the answer he has already given. What was the position with regard to the interest payment last year?

Mr. Abbott: The conditions of the loan were adhered to both so far as the United States is concerned and Canada, and the interest and capital payments were made on the due date.

RUDOLF SHOHAN

REFERENCE TO PRESS REPORT—ARREST ON CHARGE OF FALSE PASSPORT DECLARATION

On the orders of the day:

Mr. J. G. Diefenbaker (Lake Centre): I should like to direct a question to the Minister of Justice in connection with a news report of Canadian Press relative to the alleged charges having been laid against someone in Montreal, arising out of consorting with Russian agents. Although there was a great deal in the press report, the charge was not made clear. Is the minister in a position to say anything about the matter?

Hon. Stuart S. Garson (Minister of Justice): We have not been in a position to make a press statement on this matter until this morning. Just before I came into the chamber, I sent the following press statement up to the press gallery:

Rudolf Shohan, also known as Raymond Arthur Davies of Montreal, was arrested on the morning of Saturday, June 28. He was charged under section 405A of the Criminal Code with having made an untrue or misleading statement in writing for the purpose of obtaining a Canadian passport. He is being escorted to Ottawa by the R.C.M. Police and will appear in magistrate's court there probably on Monday, June 30.

INQUIRY FOR RETURN

DEFENCE PRODUCTION—OFFICERS ON LOAN FROM BUSINESS AND INDUSTRY

On the orders of the day:

Mr. Howard C. Green (Vancouver-Quadra): I wish to direct a question to the Minister of Defence Production. Would it be possible to get a return to an order passed on June 23, in connection with a question I asked concerning the officers on loan from business and industry to the Department of Defence Production? I am hoping that this return can be brought down before the house adjourns next week.

[Mr. Abbott.]

Right Hon. C. D. Howe (Minister of Defence Production): Mr. Speaker, the only delay is in connection with compiling the list. It is a rather extensive list. I will ask that it be brought down on Monday if it is at all possible.

FISHERIES

LOCATION OF PRINCE EDWARD ISLAND SCALLOP BEDS

On the orders of the day:

Mr. W. Chester S. McLure (Queens): Mr. Speaker, I should like to direct a question to the Minister of Fisheries. According to a press despatch in the Halifax *Herald* on June 20 I note that the minister was to give me the location of the scallop beds of Prince Edward Island as reported by the fisheries research board. Later on, in another dispatch, I note that a new scallop bed is reported somewhere in the Northumberland strait. I should like to have from the minister more definite information as to the location of these beds than just that they are in Northumberland strait.

Hon. R. W. Mayhew (Minister of Fisheries): Mr. Speaker, I will see that the hon. member gets the information he desires.

HOUSE OF COMMONS

MR. MCIVOR—REFERENCE TO REMARKS OF MR. DREW IN FORT WILLIAM

On the orders of the day:

Mr. Daniel McIvor (Fort William): Mr. Speaker, I rise on a question of privilege. I just want to thank the leader of the opposition (Mr. Drew) for his kindness, during his recent visit to Fort William, in advertising me to the people of Fort William.

COMBINES INVESTIGATION ACT

TO PROVIDE FOR ADMINISTRATION, ETC.—CONCURRENCE IN SENATE AMENDMENTS

Hon. Stuart S. Garson (Minister of Justice) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 306, to amend the Combines Investigation Act and the Criminal Code.

Mr. Donald M. Fleming (Eglinton): Is the minister going to make a statement with regard to these amendments?

Mr. Garson: I do not think it is necessary to go into any details concerning them. They were all made in the banking and commerce committee of the Senate when members of our combines investigation staff and I were present. They are all acceptable to the government.

Mr. Fleming: The minister has been extremely brief in his explanation of the amendments. I should like to make a comment on them, Mr. Speaker; and I may say that it will not be an extended comment.

I think it is only fair to state that, in my view, the amendments made by the Senate to this bill result in an improvement in the bill. The amendments are not as extensive perhaps as some had been led to believe or expect as a result of the discussions which occurred there and which were reported widely in the press. But so far as these amendments go it seems to me that they make an improvement in the bill.

Personally I have noticed with some little degree of interest, Mr. Speaker, the fact that four of these amendments relate to penalties that follow upon breaches of the act or the Criminal Code. It is the very point that I raised when this bill was before the committee of the whole in this house. Those are amendments which are to be found at page 16, line 4; page 16, line 37; page 21, line 16; page 21, lines 25 and 26 where in each case the words "imprisonment for a term not exceeding two years" are stricken out and the words:

> a fine in the discretion of the court or to imprisonment for a term not exceeding two years or to both...

are substituted.

When I raised the point in the house the minister rejected the suggestion that there should be some amendment of this kind and said it was quite unnecessary, and that the subject was sufficiently provided for already by the Criminal Code. I do not wish to obtrude personal considerations into this matter, Mr. Speaker, but I must say that it is not a little gratifying to see these four amendments made by the Senate in connection with this particular subject and also to find now that amendments of this kind are entirely acceptable to the government whereas a matter of two short weeks ago the suggestion was quite unacceptable to the minister.

The other principal feature of the amendments proposed by the Senate relates to the imposition of a time limit in the cases where power is given by the bill, following upon a conviction, to follow up in the case of a person or corporation convicted. We now find the Senate proposing a time limit of three years in the power conferred by the new section 33, subsection 1, of the Combines Investigation Act. Mr. Speaker, I am sure that that is a desirable improvement.

As to the other amendments made, I think in each case they can also be said to be improvements. I am glad to see that, perhaps because of the lateness of the season in this session, the government is ready and prepared to accept amendments even though they were not quite so ready when the bill was before this house.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, like the hon. member for Eglinton (Mr. Fleming), I shall be brief in what I have to say; but unlike the hon. member for Eglinton I do not approve of the amendments suggested by the Senate to the bill which amends the Combines Investigation Act. It seems to me that the Minister of Justice (Mr. Garson) was right the first time in the wording of the sections having to do with punishment for certain offences under the Combines Investigation Act. I realize that the minister can argue that the change is one more of form than of substance. I see him nodding his head to that proposition.

Mr. Garson: There is no change in substance whatsoever.

Mr. Knowles: In other words, the minister goes a bit further with respect to what I have just said. But it is my submission that, if there is such a thing in law, there is a change in the spirit; and I think it is a poor change to be making. When the government brought in this legislation, its assertion was that it was for the purpose of strengthening our laws against combines and that one of the ways in which our laws against combines were being strengthened was by the stiffening of penalties for offences under the act. In that vein we had at least these four places in the amending bill where it was stated, as for example, in section 32 (1):

> Every person who is a party or privy to or knowingly assists in the formation or operation of a combine is guilty of an indictable offence and liable on conviction to imprisonment for a term not exceeding two years.

There are four places in the bill as it went through this house where that phrase appears, that the punishment shall be imprisonment for a term not exceeding two years. In each of these four places the Senate has accepted the suggestion that was made in this house by the hon. member for Eglinton (Mr. Fleming) that the court should be given the discretion to choose either a fine or imprisonment. When the hon. member for Eglinton made that proposal in this house, the reply of the Minister of Justice was that section 1035 of the Criminal Code would give the court that discretion anyway; therefore, said he on that occasion, it was not necessary to indicate that discretion in the Combines Investigation Act.

I have the advantage of not being a lawyer, and it seems to me that it does make a difference when you have a combines investigation

law which says—and it sticks out very prominently—to the judge who is dealing with it that the punishment is imprisonment. That certainly sounds to me a lot stronger—even though there is a loophole tucked away in some other law that may give the judge, if he can find that loophole, the right to substitute a fine—than wording the combines law so that it says to the judge: You can give this director of the corporation either a fine or imprisonment. I suggest, Mr. Speaker, the effect of this is to weaken in spirit at any rate the proposed strengthening of the Combines Investigation Act.

That same provision carries through in four places, as I say. When we were discussing that in this house on June 11 the minister and I got involved in a discussion over the matter, and I wanted to be sure that a director of a corporation could, under the amended legislation, be jailed if he knowingly was a party to certain offences under this act. Our conversation was in legalistic terms, but it ended in this way, as recorded in *Hansard* of June 11, 1952, at page 3147:

> Mr. Knowles: That is what I mean. Under the terms of 32(1), if a director of a corporation is a party to an offence and it is proved that he knowingly assisted in the formation or operation of a combine, can he be put in jail?
> Mr. Garson: Yes, if he is convicted.
> Mr. Knowles: Good.

I realize, Mr. Speaker, that the minister may reply that it is still possible under the amended form for the director of a corporation to be put in jail; but, as I say, the change that has been made in the combines law gives two alternatives, and to that extent it seems to me that the whole case against those who commit offences under this law has been weakened. In fact, Mr. Speaker, it seems to me that when the Senate passed these amendments the other day, and if this house approves their amendments on this occasion, we are saying to directors of corporations across this country that they need not worry about the jail sentences that were hanging over them in the amended bill in case they are parties to breaches under this act, and for that reason it is my view that the bill should stay in the form in which it was passed in this house, and that we should not approve of the amendments suggested by Their Honours in the other place.

Hon. Stuart S. Garson (Minister of Justice): Mr. Speaker—

Mr. Speaker: If the minister speaks now he will close the debate.

Mr. Garson: I am sure it will be a source of great comfort to the hon. member for Winnipeg North Centre (Mr. Knowles) to know that his reasoning is identical with that of the Canadian Chamber of Commerce. That chamber took the position that section 32 (1) of this bill in the form in which it was first passed was an intimidation of people who might be affected by it; and that it was preferable to have inserted in the Combines Investigation Act itself an alternative penalty of a fine.

Now, actually, as I explained when this suggestion was first made in this chamber by the hon. member for Eglinton, there is no difference whatsoever, so far as substance is concerned, between the present wording as amended by the Senate and the wording of the bill in its original form. The position was simply this. Strange as it might seem it is impossible to imprison a corporation. Therefore when you have a penalty of imprisonment of this sort in this Combines Investigation Act, and in many sections of the Criminal Code dealing with offences which it is possible for a corporation to commit, it is preferable, instead of having in each one of those sections, wherever they occur, a provision that if the accused is a corporation it shall be fined instead of imprisoned, to have instead only one section in the Criminal Code, namely, section 1035. This section provides, amongst other things, that the courts shall have authority, instead of imposing a two-year penalty of imprisonment upon an accused person—including a corporation that cannot be imprisoned—to impose a fine without limit. Read with this section 1035 of the Criminal Code, the original wording of this section 32 (1) of the Combines Investigation Act amendments was quite sufficient to achieve exactly the same effect that it now achieves when it is spelled out in the way in which it has been spelled out by the Senate.

The chamber of commerce wanted to have it spelled out for exactly the same reasons as those which have been urged this morning by the hon. member for Winnipeg North Centre for not spelling it out; and I must say—

Mr. Knowles: Mr. Speaker,—

Mr. Garson: If my hon. friend will just let me continue. I must say I find this reasoning equally unconvincing from both these sources.

Mr. Knowles: On a point of privilege, the minister seems to have misunderstood what I was saying. I did not want it spelled out in this way.

Mr. Garson: My hon. friend does not want it spelled out in this way because my hon.

friend thinks the same as does the Canadian Chamber of Commerce, and that is, if it is not spelled out that way it will serve as an intimidation. The argument is that you will then frighten these people into being good by the fact that there is no alternative of a fine. Well, I find that sort of argument extremely unimpressive. I cannot understand why corporations—

Mr. Knowles: You are encouraging corporation directors to break the law by telling them that there will now be no jail sentences.

Mr. Garson: —who will be advised by the cream of the legal talent in this country, are going to be frightened by a provision in the Combines Investigation Act which says that a person which includes a corporation is going to be imprisoned for two years—

Mr. Knowles: If they break the law there will be no jail sentences for directors of corporations. That is what you are now saying.

Mr. Garson: —when there is and can be no jail sentence for corporations, and when the court already has power to fine instead of imprisoning both an individual and a corporation.

Mr. Speaker: Shall the motion carry?

Some hon. Members: Carried.

Mr. Knowles: On division.

Motion agreed to on division, amendments read the second time and concurred in.

REDISTRIBUTION

READJUSTMENT OF REPRESENTATION IN THE HOUSE OF COMMONS

Hon. W. E. Harris (Minister of Citizenship and Immigration) moved the second reading of Bill No. 393, to readjust the representation in the House of Commons.

Mr. Drew: May I ask if it is the intention of the minister to make any statement? If so, I will naturally wait until he has done so.

Mr. Harris (Grey-Bruce): Mr. Speaker, this bill, as I have already explained on two occasions in the house, is a bill which was recommended to the house by the special committee on redistribution.

The purpose of the bill is to give legal expression to the decision which has been reached by this house in amending the British North America Act earlier this month. It sets out the number of seats which are allotted to the various provinces, the district of Mackenzie and the district of Yukon, and provides, incidentally, instructions as to the interpretation, descriptions and the like. It is, so far as I have been able to determine, in the form which has been common to these bills for some time, and certainly in the past two or three redistributions. It follows almost precisely the wording of the 1947 act, with minor variations. The procedure which we hope will be adopted, if second reading is given, is that I shall move that this bill be referred to the special committee on redistribution for consideration, and for the purpose of attaching thereto the schedule of the constituencies as defined by that committee. That, I believe, has been the custom since 1903.

There will be other amendments suggested, I think, in that committee—if I may be permitted to suggest this to the house—having in mind the fact that some constituencies will be renamed, and therefore amendments will be required in the Canada Elections Act.

I want to point out to the house again that this is merely a bill for the purpose of carrying out the allotment of members among the provinces as determined by the House of Commons recently. It does not contain and makes no reference to the boundaries of the constituencies, which have not yet been reported to the house, nor will they be until the schedule has been affixed to the bill.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, this subject is one which has frequently engaged the attention of the house, since the British North America Act of 1867 requires a decennial census, and a redistribution of seats in accordance with that census. Section 8 of that act makes mandatory the taking of a census every ten years. Section 51 makes it equally mandatory that there shall be a readjustment of seats in accordance with that census.

There has been earlier discussion on a number of occasions about the interests of the provinces in the question of redistribution. I have expressed my own opinion that, when it comes to the number of seats each province will have, the provinces should be consulted. I mention that now because I would not wish any remarks I make in regard to the delineation of boundaries within a province, once that allocation of seats has been determined, to leave the impression that I am in any way disregarding my earlier argument, and the belief I hold very strongly, that the provinces have an interest, and that they should be consulted in regard to the number of seats by which each province will be represented in the House of Commons.

Up to that point, however, it appears to have been generally accepted by members in the house from every part of Canada

that the problem of finding the method by which the delineation of the boundaries of the various constituencies will carry out the requirements of section 51 of the British North America Act is the responsibility of the parliament of Canada. Once again we are called upon to carry out the duty of members of the house to reallocate the seats as required by section 51 in relation to the census taken, under the provisions of section 8 of the British North America Act.

I agree that it is the duty of the House of Commons to carry out that responsibility, and that this responsibility should be accepted during the course of the present session. Having said that, I wish to review some of the considerations which it seems to me should be borne in mind at the time we are asked to accept a principle established by an act which perpetuates the unsatisfactory method that has been followed for so many years in carrying out that responsibility.

We have indicated our disapproval of the method. That disapproval has been expressed on both sides of the house. I am not claiming any originality either on my part or on the part of any member of the Progressive Conservative party in suggesting that the procedure is unsatisfactory, and that another procedure should be adopted.

Over and over again very strong arguments have been made against a system which has aroused cynicism in the minds of the people of Canada as to the way in which the boundaries of our electoral districts are actually decided. And, after all, it is of importance to the members of the House of Commons if the public does regard with cynicism the method we adopt, and if we do not do everything within our power to remove the grounds for that cynicism.

I am not suggesting for one moment that either party can claim any particular credit for virtue in the way in which this has been done in the past. Perhaps I may anticipate the fact that some hon. member opposite will recall the well-remembered words of Sir John A. Macdonald, that in carrying out a redistribution he was going, to use his own words, to do what he could to hive the Grits.

Perhaps there was a fairly frank approach to this subject at that time. At least it was frank; at least he left no doubt as to what his intention was. I must say that it is better to be as frank as that than to proclaim virtue and then to adopt a course which is just as cynical as any which has ever been followed since 1867.

After all, as we are so often reminded, there has been great progress in this country. Our parliamentary system has been described as a transcript of Westminster. Stage by stage we have advanced to an increasing measure of maturity, and of pride in our own acceptance of responsibility. Nevertheless we all recognize that our parliamentary system was borrowed from the parliamentary system of the United Kingdom, and that we have very closely followed the rules and practices of that system throughout the years.

That has been true in substantial measure of the other nations of the commonwealth. I mention this because there has been marked progress in the other nations of the commonwealth in dealing with this problem. While at one time they followed the same methods we follow, they have now advanced from the stage of the pocket boroughs and the political liquidation by redistribution of opponents whose presence in the House of Commons they were not inclined to encourage. The result is that in the United Kingdom, Australia, New Zealand and South Africa they have impartial bodies conducting an examination of this problem outside the House of Commons and presenting to the House of Commons recommendations which can be accepted, amended or refused. It has worked in the other nations of the commonwealth. It has found acceptance and has increased the confidence of the public in the way in which they have an opportunity to be represented in the House of Commons where government of the people by the people through their elected representatives is supposed to be truly representative as far as that can be possible.

Whatever may have happened in the past, whatever arguments may have been made for or against this system, we should be ready to move with the times. There comes some point when the professions of both parties should reach some effective interpretation by legislative action in this House of Commons and in the parliament of Canada. If the arguments had been made only on one side of this house then it might well be that the repetition of any of those arguments might be regarded simply as an attempt to embed in the records of this house a repetition of earlier statements so that the position of any party might be before the people of Canada and it might be possible at some future time to say, "This has been our position and we ask you to support us in that position."

The fact is, however, that objections to this system have been just as vigorous and just as critical when uttered by members of the Liberal party as when uttered by members of the Conservative or any other party in this house. Those remarks were particularly

critical when they were uttered by the late Right Hon. Mackenzie King. Members of this party have not been notorious for their complete agreement with everything that Mr. King did in this house, but I think it is a matter of record that the members of this party have indicated their acceptance of his respect for parliamentary institutions and his knowledge of parliamentary practices. For that reason I suggest that when we are called upon to consider this measure at this time it is a good thing to recall what was said by Mr. King in regard to this subject in view of the extent to which the members of the Liberal party now in the house have expressed at all times their faith and confidence in his political opinions.

Again I would indicate that sometimes the views that have been expressed seem to have been more vigorous when some of the speakers were in opposition than when they formed the government. What I propose to quote now was said by Mr. King at the time he was in opposition. However, I point out these words because he indicated when he returned to office later that he had not changed his opinion in that respect. On May 25, 1933, as reported on page 5425 of *Hansard* of 1932-33, Mr. King had this to say:

> My own view, and I have come to it after observing pretty carefully what has been taking place and what has been said in debate in this house as well as in the corridors,—

May I repeat those words, "in the corridors."

> —is that redistribution should be taken out of the hands of the House of Commons, where the parties are immediately interested, and should be put into the hands of a commission of judges. I would have that commission composed of judges selected in equal numbers by both sides of the house. The redistribution, if it is carried out in a fair way has not to do with party advantage at all. It ought to have solely to do with seeking to effect a fair and impartial division of the constituencies, and if three judges were named from one side of the house and three from the other, and if the choice were made, if you will, from among those who have been in politics and who therefore may be presumed to know something about conditions generally as they exist throughout the country, I think a redistribution which would be regarded as fair might be arrived at. Probably it would not be perfect, and any report which the commission made would have to be submitted to parliament and made subject to discussion and debate in parliament. But I do think that something of that kind would serve to bring about a much fairer result. May I say that if the choice were made in the manner indicated the judges in my opinion ought to be chosen from different parts of Canada. The result would be that in the matters that came before them, there would always be a majority of the commission of judges from outside of the particular province whose affairs might be under consideration by the commission at the time a decision was to be made. It is impossible to get perfection in anything, but I do submit that part of the duty of every member of this house is to consider not only the problems of his own day, but as well the future of his country. I hesitate to think of the complexion of this house as it may be ten years hence. Looking back on the past ten years, the changes that have taken place in that period have been very many. I imagine that the greater part of those of us who are now here will before the time for another redistribution comes have, so far as continuing as representatives in this House of Commons is concerned, passed beyond its bounds. In the circumstances I think it is a duty that those of us who have views as to what we believe would most be in the interests of our country should assert our views and leave them of record, that they may be there to guide future parliaments in so far as their members may wish to be governed by them.

I have quoted those words because when Mr. King spoke them in this house he indicated that he was putting them on the record in the hope that they might be remembered by others who would recognize his parliamentary and political experience no matter whether they might agree with other views that he expressed. Mr. King had the opportunity to speak again on this subject. He was spared to return after the next decennial census and to express his views once again at a time when he was prime minister of this country. He again repeated his view that a redistribution of this kind should be carried out by an independent commission. He had not changed his opinion.

May I quote from *Hansard* for July 15, 1947, at page 5648. At that time he was speaking in reply to a speech by the hon. member for Lake Centre (Mr. Diefenbaker), the same hon. member who now represents that very well known constituency in Saskatchewan. These were Mr. King's words at that time:

> May I say that with much of what my hon. friend from Lake Centre has just said I am in most hearty accord and agreement. I think I made it very clear at the beginning of this session when I spoke on the question of redistribution that I myself would like to see the whole question of redistribution of the constituencies taken out of the hands of the hon. members of the House of Commons and placed before a commission of judges. I have here the daily *Hansard* of February 3, 1947, and I read my words as spoken at that time:
>
> I believe I have covered all that I think it desirable to say at present, beyond giving my hon. friend an assurance that the redistribution measure will be brought in at an early date in this session. I still hold the view which I expressed before. I personally would prefer a commission of judges to make the redistribution of seats in this house, but I do not believe that the majority of hon. members take that view, and in that particular I am prepared to accept the will of the majority. I hope, however, the day will come when the House of Commons of Canada will see the wisdom of allowing its redistribution to be made by some impartial tribunal and not by the members of the house themselves dealing with the matter in committee as it has been dealt with in former years.

Then he went on at that time to repeat the view that he had expressed in 1933 and to which I have already referred.

Now, Mr. Speaker, that opinion has been put forward by other hon. members of the Liberal party and of those one who has put it forward most frequently and most vigorously has been the hon. member for Quebec

South (Mr. Power), who has spoken over and over again on this subject from his long experience in parliament. He has dealt with the subject during the course of the current session. He has over and over again emphasized the need for having a different method than the committee method which we are now asked to repeat. The member for Quebec South has referred to the difficulties which have arisen and he refers to the difficulties that arose in the committee which was set up after the speech made by Mr. King in 1933. On a later occasion this is what the member for Quebec South said:

> Members who were in this house in 1934 will remember that the committee pretty well ended up in what might have been called an unseemly turmoil, . . .

On that occasion the hon. member was using words which less than described the vigour of the exchange of opinion covered by the term "unseemly turmoil". The difficulty has been that, on each occasion when these very clear and, one would have thought, convincing arguments have been put forward, it always has been suggested that the next time will provide the opportunity. Over and over again we find the explanation that we are now confronted with—that of the necessity of carrying out the obligations under the British North America Act to effect redistribution, and therefore the consideration of a better method must be deferred until some other time.

May I quote from what the hon. member for Quebec South said in 1939 at the time that he was a minister of this government? I quote from *Hansard* for 1939, volume II, page 1807, and I will continue to quote until I indicate that the quotation is ended:

> . . . the object of this motion is to set up again for this year a committee which has been functioning for the past three sessions of this parliament. During the 1936 session the committee studied and reported on such matters as proportional representation, the alternative vote, compulsory registration and voting. During the session of 1937 it considered a large number of proposals which had been made to this house, and particularly to the committee, having for their object the revision of the elections act. Of these proposals, something over one hundred in number, I am informed, some thirty-three were adopted and passed into legislation.
>
> The committee also gave some consideration during the 1937 session to the question of the method of arriving at an equitable redistribution of the seats in this house. During the session of 1938, in the light of the information they had gained from the suggestions made to them by the public, by members of parliament, by organizations, and also by the chief electoral officer, whose long experience in matters of this kind formed the basis of his recommendations, the committee studied and finally recommended unanimously an act known as the Dominion Elections Act, which, with some minor amendments, finally passed this house. I think it can be said, generally speaking, that this act, so far as we are able to judge, since it has not been in operation in an actual theatre of war, has given general satisfaction.

There remain for the consideration of the committee two subjects which are cognate to those already discussed, namely, first, that of methods of effecting redistribution of seats in this house, and second, the question of election and campaign expenditures.

With respect to the redistribution of seats, I think the advisability and even the necessity of remodelling the procedure whereby every ten years or so this house is made the theatre of a somewhat unseemly, undignified and utterly confusing scramble for personal or political advantage, should be evident to all. The difficulty of making an equitable distribution of seats in any country is increased many fold in this country, where we must take into consideration diversity of interests, economic and social; the racial distinctions which exist; the growth of population; and the varying movements of our population brought about to some extent by economic causes in our cities, and in the rural districts, by the opening up of our hinterland. I say this country is an extremely difficult one to redistribute, and that makes it all the more necessary that there should be a drastic change in the system which we have followed up to the present.

As hon. members of the house know, these redistributions have taken place as a result of conferences, of meetings of committees, and finally of what you might almost call a battle royal in this house. It is inevitable no matter which party is in power that there should be complaints and that the distribution of seats will not meet with the approval of all. There are today, as there have been in the past, what I might call almost appalling inequalities of distribution. To cite only a few of them: In the province of Quebec, the constituency of Argenteuil has 11,122 voters and sends one member to this house. Another rural constituency, that of Joliette-L'Assomption-Montcalm, has 30,363 voters and sends only one representative to this house. Among the urban constituencies in the city of Montreal, St. Lawrence-St. George, with 22,549 voters, sends one member, and St. James, with 54,760 voters, sends one member. It is not surprising that there has arisen a suspicion that the redistribution was undertaken or was carried out not so much in the interests of giving a better distribution of seats but, on the part of some government, to have a greater number of their own followers in the house. But I say and repeat that this would happen no matter what government were in power, and we can only come to the conclusion upon looking over the ground that there should be evolved some method other than the law of the jungle—might is right—in order to bring about a distribution which would be fair to the people of Canada.

Now, that is the end of the quotation I propose to put on the record at the moment. I do so, and I place it side by side with the statement by Mr. King so that the arguments that have been made from this side of the house and the arguments that may be made now will not stand simply as partisan expressions in relation to a problem which, in the interests of dignity and respect for parliament, should be brought out of the turmoil and the type of log-rolling which have been part and parcel of this system no matter which government was in power.

Today, we are called upon to decide a simple question put forward in such clear terms by the dean of the Liberal party in this house, the member for Quebec South (Mr. Power). We are simply asked, when we

consider the principle on second reading, whether we are going to perpetuate the law of the jungle in carrying out redistribution or whether we are not. We are being asked to decide, in dealing with the principle inherent in this act, whether we are going to have an unseemly, undignified and utterly confusing scramble for personal or political advantage. Do not let anyone in this house suggest that there has not been a scramble for political advantage during the considerations given to this subject by the committee already. If anyone says that is not so, may I say in advance that his respect for the intelligence and confidence of the house will be left seriously in doubt when that statement is made. Granted, we have had professions of a desire for a fair and impartial way of dealing with this, but once again qualifying my remarks to say that no one party can claim particular credit for its virtue in tackling this subject in the past, may I say that the professions of impartiality have not gone hand in hand with the actual conduct of either the provincial committees or the general committee in dealing with this problem during this session.

The law of the jungle is the law that has been followed in several cases, and the inequalities referred to by the hon. member for Quebec South, in his very clear and intelligent interpretation of the weaknesses of the system we are asked to perpetuate, are still there. Being a very well known representative from the province of Quebec, he naturally dealt with the inequalities in that province, but those inequalities exist all over Canada. It is not only the acts of commission of the committee which are open to criticism, but it is the acts of omission as well. It is not only that there has been gerrymandering of the most vicious kind in certain cases, but it is also the fact that there has been no attempt to deal with this problem of inequality of representation. There are still seats, under the plans put forward, with a small population that will send one member to this house, and there are seats with more than 90,000 who will have one member; that is not representation by population.

I recognize, and I think all the members of this house recognize, there are certain considerations which must prevent any system of absolute equality of representation by population. I recognize that there are distant and remote constituencies where the distribution of population would make it utterly fantastic to follow any strict basis of the allocation of population. We had the example of one member representing that vast area including the Yukon and the Mackenzie area, an area greater than the most of western Europe. Here was an empire in itself, represented by one member. It is not only impossible for the member to get in touch with all the prospective voters before an election, but it is utterly impossible for any member, no matter what his energies or wishes may be, to keep in touch with all that vast area. There has, in this case, been a very sensible attempt to recognize that there are cases where any rigid rule will not apply, and it is therefore intended to have an electoral district for the Yukon and an electoral district for the Mackenzie areas. Even yet, they will be enormous areas for a single member to represent.

But surely there must be some line drawn. There must be some better explanation than we have yet of the necessity for having constituencies with a population of 20,000, or a few more, and other constituencies with a population of more than 90,000 as South York will have under the plans now being presented. We know, Mr. Speaker, that no real effort has been made to deal with this problem on the basis of any settled principle. Even under the unsatisfactory procedure which we are called upon to perpetuate, it would seem that the logical method would be for the committee to meet and decide on some basic principle which would guide the provincial subcommittees and the general committee in reaching a conclusion as to what the division of population within the various constituencies should be. But that was not the method. There was, of course, some confusion created by certain maps that got into the press. The members of the committee were told that there were no maps and then in some strange way maps appeared in the press, indicating an extraordinary prescience on the part of certain newspapermen in interpreting the minds of the members of the committee. It would indicate a very high ability on the part of certain members of the press to anticipate the opinion of the members of the committee in that particular case, because maps appearing in the press when no maps existed, according to statements made to the committee, afterwards turned out to be quite correct.

It does indicate, of course, that close association between members of the press gallery and members of the house which is extremely helpful in interpreting the events of this house to the public of Canada. Of course, in everything I say I am paying my respects in the utmost sincerity to the members of the press. They were performing their proper duty and seeking to interpret to the people of Canada this very important function of parliament which was being carried out. I must confess that it has strained the credulity of some of us to believe that there were

no maps in existence. However, if we are told that is the case, we are bound to accept that statement. It would have seemed that the way in which maps should be drawn ultimately would have been to say, this is the principle we will follow, and then appoint subcommittees to draft maps in accordance with that principle. But that was not the method that was followed. The people of Canada should know that it was not the method that was followed, if we are by any chance to be forced to perpetuate the law of the jungle by a majority vote of this house at this time. I of course point out again that I am simply following the words of the very distinguished hon. member for Quebec South (Mr. Power) in describing the procedure in that way.

Mr. Murray (Cariboo): May I ask a question at this point, Mr. Speaker?

Mr. Drew: Yes.

Mr. Murray (Cariboo): The law of the jungle did not apply to the Yukon-Mackenzie River redistribution committee, of which I had the honour to be chairman. We have a great many wolves up there and we have some respect for the law of the jungle. But we did not have the law of the jungle apply to these beautiful tropical areas along the Yukon and Mackenzie rivers.

Mr. Drew: I do not know whether the hon. member came in after I discussed that subject. He must have done so, because I pointed out that a commendable course of action had been followed by the committee in dealing with the Yukon and Mackenzie river areas.

Mr. Murray (Cariboo): I thank the leader of the opposition.

Mr. Drew: I also indicated my regret that similarly wise considerations had not prompted the committee in dealing with other problems in other parts of Canada.

This committee, Mr. Speaker, is exactly the same kind of committee as that which has been criticized by such distinguished parliamentarians as the late Mr. King and the hon. member for Quebec South as well as by many others in earlier days and by members sitting in this house. May I say that *Hansard* will show that, among the extremely effective, wise and sound discussions of this subject, none rate higher than those of the hon. member for Lake Centre (Mr. Diefenbaker) on earlier occasions in this house. I am repeating these observations today for the purpose of showing that we are being called upon to repeat abuses or things that have been regarded as abuses by both sides of this house.

It will be pointed out that there was a time when there was no committee, and that in "those dear dead days beyond recall", at a time when parliamentary procedure had not advanced to its present point, governments in power did not go through the motions of setting up a committee. They simply presented maps and they admitted that the maps actually existed. They did not hesitate to say so; and they did not hesitate to declare the purpose behind those maps. As I have said already, I do not hesitate to quote the words of Sir John A. Macdonald who said that the maps were for the purpose of hiving the Grits. That was the attitude in those days. But on both sides of the house we are assumed to have recognized that changes have taken place over the years.

Yes, a committee is an improvement. But a committee of this kind is an improvement only to the extent that it gives the condemned man a chance to see the scaffold before his execution. That is all it does. Make no mistake about it, the scaffold is there.

An hon. Member: And the rope.

Mr. Drew: And the rope as well.

An hon. Member: And the hangman.

Mr. Drew: It is only a question of when and how, and the victim is given a chance to see where the trap is going to be sprung, if not when.

An hon. Member: And he is not even blindfolded.

Mr. Drew: Mr. Speaker, the very fact that on both sides of this house this subject should have been so constantly the subject of criticism suggests to me that we should not be carrying this matter forward on a narrow, partisan basis. At a time when parliamentary government and free government all over the world is under the test as it is today, it seems to me that we will only be taking our responsible part in the great struggle to preserve respect for the processes of democracy if we say at this time that we are going to do what we can to give to the public a feeling of confidence. One way to do that would be to say that, under some clearly-established principle, we will come as close as possible to assuring representation by population in the parliament of Canada, and that we will not by our actions repeat all the things that have brought this procedure into such great contempt.

I suggest, Mr. Speaker, that it is not only in the interests of this House of Commons and the functioning of it and in the interests of respect for the House of Commons and the

parliament of Canada that we should decide to take action now. Because of the importance of respect for parliament, for government and for the procedures of democracy in Canada I think we should decide now to end this confusing and unseemly procedure, and that we should impress upon the public the fact that, regardless of our political affiliations, we are going to end the law of the jungle in carrying out the duties we are called upon to perform under our constitution, namely the British North America Act.

Mr. Speaker, we might have been confronted with some difficulty in presenting this argument on the second reading of this bill if it had been decided by the government to prorogue parliament and not leave an opportunity for further discussion. At a time that it was thought that parliament was going to be prorogued, and that this job must be done in some way within a time that the subject could be dealt with by this house, there may have been some members who reluctantly supported the procedure that was suggested once again. That necessity does not now arise as a result of the decision of the government as indicated to this house yesterday. This session is going to continue and when we rise in the near future it is indicated that we shall adjourn until November 20. This will be a continuing session. It will therefore be possible at this session to provide a method by which this subject can be dealt with in a more orderly and a more satisfactory manner. Even assuming that we were impressed with the apparent desire of the government to remove some of the abuses which have been criticized so often in the past, any sense of confidence in regard to that matter has been removed by what has actually happened before this committee. When we refer to the law of the jungle, may I say that the law of the jungle applied to the decision to obliterate the historic riding of Lake Centre represented by one of the most distinguished members of this parliament.

Mr. Speaker: Order. Is there anything before the house to that effect?

Some hon. Members: No.

Mr. Drew: Mr. Speaker, the committee have made certain decisions. I will anticipate your comment that the discussions before the committee should not be repeated in this house and I shall anticipate a ruling to that effect.

Mr. Knowles: Unless the committee's report was tabled. Was it not tabled?

Mr. Speaker: That was my question. I did not think the report of the committee had been tabled?

Mr. Ross (Souris): Why not?

Mr. Fleming: On a point of order, may I point out that one committee report has already been tabled, embracing 97 constituencies. At the final meeting last night it was pointed out that the report should be tabled today embracing all the remaining constituencies.

Mr. Speaker: I will not go into the question of what the committee decided last night unless it has reported to the house. I do not think there is any report before the house in respect to the riding of Lake Centre.

Mr. Sinclair: He is wrong as usual.

Mr. Boucher: I may say that the name of Lake Centre is not eliminated from the map.

Mr. Diefenbaker: No, not the name.

Mr. Speaker: Order. The report cannot be discussed until it is before the house.

Mr. Fleming: May I respectfully suggest that if it was agreed that the report should be tabled, in order that this debate might proceed intelligently we should have one of the ministers move that we revert to motions and have it tabled now?

Mr. Harris (Grey-Bruce): May I speak to the point of order? There was no such agreement; the very opposite was true. It was not intended that we should debate the boundaries at this particular time.

Mr. Drew: Mr. Speaker—

Mr. Speaker: Order. I cannot permit a debate as to what took place in a committee of the house. I think the house appreciates my position.

Mr. Drew: A consideration has arisen which I do not think should be overlooked. There is already a report tabled. If it is correct that it was agreed last night that the report of the committee should be tabled before this debate took place, then I think we should have an explanation from the minister as to why that has not been done. I think also, Mr. Speaker, there are obvious reasons why it should be done, if that was the understanding of the committee.

Mr. Abbott: But it was not.

Mr. Harris (Grey-Bruce): Again on a point of order, I hope there is no misunderstanding about anything which happened in the committee. We had one already this week and we do not want another. Last night I stated that if the work of the clerk would permit it, we would table a report of the remainder of the constituencies. Up until the time I came into the house that was not available.

There is no desire whatever either to delay this debate or to deny hon. members any opportunity to debate the matter. But I made it abundantly clear in the committee that it was not the intention, as far as I was concerned, and others, that we should at this stage debate boundaries. That debate will take place when the bill comes back to the house with the schedules attached to it, which can only happen when this bill receives second reading.

Mr. Fleming: On a point of order, the minister's present statement is I think a little different from the one he made two or three minutes ago when he said that there was agreement last night; there was no agreement with respect to the debate today being confined to principle and not including the question of boundaries.

Mr. Harris (Grey-Bruce): No, I did not say that.

Mr. Fleming: I wish to make it abundantly clear that there was no agreement as to confining this debate.

As to the tabling of the report, there was not any specific agreement on that. The minister is quite right in saying that was a statement. The announcement made by the minister last night as chairman of the committee before the committee rose was that there should be a report made to the house. He thought—I think I am quoting his words correctly—that that report could be tabled at eleven o'clock last night or the first thing this morning. That being the background so far as the committee is concerned, Mr. Speaker, and thinking of the desirability of our having the whole information before us so that we have one intelligent debate on this whole subject and not two, I urge, sir, that the report be tabled at the earliest possible moment. I should think it must be available by now. The house, I am sure, would gladly give consent to our reverting to motions in order that that report could now be tabled and the debate proceed in a comprehensive and intelligent manner.

Mr. Speaker: As to what took place in committee I can only repeat that I can make no ruling. I was not in the committee. The report of the committee is not before the house. May I add, however, that even if the report were before the house it would not be in order on second reading of the bill to discuss the details. It would not be in order at this time to discuss the clauses. Schedules are considered to be clauses. The only question that is debatable now is the principle of the bill. I am sorry to have interrupted the leader of the opposition so long. I hope we have clarified the point.

[Mr. Harris (Grey-Bruce).]

Mr. Drew: That is the very point. The principle of this bill must of necessity be related to the manner in which it is intended to carry out redistribution, and I would suggest—

Mr. Speaker: I think that is right.

Mr. Drew: I would suggest that while it would certainly not be appropriate to enter into discussion of the exact boundaries of any constituency, it is appropriate to refer to the manner in which the procedure has been followed in order to present an argument as to why it is not a satisfactory procedure.

I go further, Mr. Speaker, and point out that we are asked to give second reading to a bill which refers to a schedule. Section 4 refers to the schedule; section 5 refers to the schedule; section 6 refers to the schedule; and section 7 refers to the schedule. The schedule is part of the bill. Without the schedule—unless there is unanimous consent by the house to proceed without it, as is sometimes done—I submit, Mr. Speaker, that we cannot comprehensively deal with the subject, because the schedule will determine the procedure of which we are being asked to approve.

I would think that in the circumstances, Mr. Speaker, it would be appropriate if I moved the adjournment of this debate for the purpose of giving an opportunity to the minister to present the schedule so that we can debate this subject properly.

Mr. Speaker: I think I should probably point out that my recollection of the procedure is, if the hon. member moved the adjournment of the debate at this time and the motion did not carry, he could not continue with his argument. In view of that, the leader of the opposition might like to reconsider his suggestion. There is no motion for adjournment before the house at the present as there can not be a motion without a seconder.

Mr. Drew: I thought that probably the government, with its professions in regard to this matter, would have accepted the suggestion and permitted the debate to continue. However, since they obviously did not, then I do not intend to discontinue my argument at this point. But I will say, Mr. Speaker, the very fact that we are bound to continue this debate without the schedule simply emphasizes the disgraceful results that follow from a procedure of this kind, as outlined by the hon. member for Quebec South.

Let us see what happens if the full schedule is not tabled. We are still dealing with an unknown factor in the discussion of this whole subject. I would hope that, in an effort to avoid some of the criticisms, perhaps

before the schedule is brought down there will be further changes of heart, but that may be hoping for too much. Nevertheless I point out that it is an unsatisfactory way to debate this bill, when we cannot illustrate the extent to which these objections which have already been presented—in the past by Mr. King when he was in this house, as well as by the hon. member for Quebec South and by other hon. members from time to time—would be working in this particular case.

This subject is one which could be dealt with in a satisfactory manner, no matter what doubts anyone may have had. I would hope that the credulity of this house will not be tested by suggestions from the other side that the course that has been followed has been one of impartiality in approaching this subject. Members of the government have a chance to indicate that they really want an impartial procedure. There is plenty of opportunity to do it. This subject has been under discussion so often that I am satisfied there must be a draft bill on the files of the solicitor general at this very moment, and that later today a bill could be introduced for the purpose of setting up a commission. It is hardly thinkable, in view of the number of occasions on which a request has been made for the setting up of an impartial commission—by Mr. King, when he was leader of the opposition and when he was prime minister of Canada, and by other members on both sides of the house—that none of the legal officers of the government have at any time drafted that bill. I think it can be said that there is one that was drafted in 1940. Perhaps it has been improved from time to time since then.

I would suggest that, instead of repeating what has been described by the hon. member for Quebec South as unseemly turmoil in the procedure which results from redistribution in this country, a measure should be introduced which would set up a commission. It would proceed, having the advantage of all the discussion which has taken place, and it should prepare plans to be presented to members of the House of Commons when we reconvene on November 20, or at any other date that may be chosen by the government subsequent to that date.

We are not suggesting any untested and untried procedure. We are not suggesting this simply because it has been put forward by members of the Liberal party as well as by members of the Progressive Conservative party and members of other parties in this house. We are putting forward a proposal in regard to a method for effecting redistribution which has worked satisfactorily in the United Kingdom, Australia, New Zealand, South Africa and elsewhere throughout the world.

I do not suggest that we necessarily confine ourselves to the proposal that the commission be made up of judges. It may well be that others should form part of such a commission. For instance, both in the dominion and in the provincial jurisdictions there are surveyors general whose experience would be invaluable, whether as members of or advisers to a commission. There are others whose experience would be of great help.

I do suggest that we now accept the opportunity hon. members on both sides of the house have to refresh our memories with respect to opinions which were put on the record for the particular purpose of being considered at some time in the future, and that we now decide that the opportunity presented by the intention of the government to adjourn instead of to prorogue be accepted, so that this will be dealt with in an orderly manner that will revive the respect of the people of Canada for our system of redistribution in this country.

I repeat that one of the things that should be in the minds of all members of the House of Commons, as representatives of the people of Canada, is respect for our parliamentary system. Respect for the way in which the people will be able to govern themselves through their choice of members to sit in parliament should be in our minds at a time when respect for parliament is part of the great struggle in which we are engaged.

Only a few days ago, I feel sure, every member of the House of Commons read the tragic story of a great naval hero of the last world war who was cashiered from the British navy because he refused to serve any longer. His explanation was that he had lost confidence in the system of government in the country, and in the general purposes to which they were dedicated. Most of us in this Canadian House of Commons would say that in Great Britain they are giving as fine an example of parliamentary government under the system they have as is to be found anywhere, along with the system we have here in Canada and elsewhere in the commonwealth.

The fact remains, however, that this was an expression of loss of confidence, whether justified or unjustified. And, recognizing the fact that loss of confidence in a parliamentary system and in the way in which government operates can unsettle people's minds to that extent, at a time when we are engaged in a

war of ideas, let us do what we can to maintain confidence in that system, by everything we do.

It is with that thought in mind, and with the idea that this is an amendment which would produce a result that could be carried into effect during the life of the present parliament, and that therefore there would be no delay in carrying out our duty within the life of this session of parliament, that I move, seconded by the hon. member for Lake Centre (Mr. Diefenbaker):

That the said bill be not now read the second time but that it be resolved that in the opinion of this house consideration should be given to the enactment of a measure to provide for the appointment of a commission to effect the redistribution of electoral ridings in accordance with the census of 1951 and pursuant to the provisions of the British North America Acts, 1867 to 1952 inclusive; such commission to be instructed to make its report to this session of parliament upon the resumption of its sitting.

Mr. Harris (Grey-Bruce): Mr. Speaker, I rise to a point of order. But before proceeding I wish first of all to state, as a result of what was said a moment ago by the hon. member for Eglinton (Mr. Fleming), that I did not mean to state that there had been an agreement in committee that we would not at this time debate the boundaries. What I was trying to say in answer to the question raised was that there had not been agreement to do so.

Then, on the other point, I would draw Your Honour's attention to the fact that earlier this session, namely in the debate on the British North America Act, the question was raised by my hon. friend, the member for Winnipeg Lake Centre—

Some hon. Members: Oh, oh.

Mr. Knowles: Redistribution is having its effect.

Mr. Harris (Grey-Bruce): A question was raised by the hon. member for Winnipeg North Centre (Mr. Knowles) in the form of a motion to refer back to the committee on redistribution for a decision the question as to whether a commission should be set up for the purpose of redistributing seats in parliament. On that occasion there was a division, and I submit to Your Honour that this question has already been settled at this session.

Mr. Knowles: Mr. Speaker, may I speak at this point to the point of order. The Minister of Citizenship and Immigration (Mr. Harris) argues that, in view of my amendment to Bill 331 which was reported at page 3179 of *Hansard* for June 12, 1952, the question covered by the amendment of the leader of the opposition (Mr. Drew) has already been dealt with at this session of parliament.

[Mr. Drew.]

I submit that that is by no means the case. The amendment I moved to Bill 331 very specifically and very clearly referred to the redistribution to be effected following the decennial census of 1961 and each decennial census thereafter. My amendment on June 12 had no relationship whatsoever to the present redistribution. I note that the leader of the opposition has drafted his amendment in the same form in which I had drafted one which I would have moved had I the chance. It refers solely to the redistribution required in accordance with the census of 1951. I submit that this is a different question. The house already has disposed of my proposal that there be an amendment to the British North America Act requiring an independent commission to deal with redistribution in and after 1961, but the house has not yet dealt with the question as to whether there should be an independent commission to deal with the redistribution required as a result of the census of 1951. I submit that they are two distinct propositions and that the amendment of the leader of the opposition is just as much in order as is the one I would have moved.

Mr. Diefenbaker: Mr. Speaker, on the point of order, I think it would be well to read the amendment which was proposed by the hon. member for Winnipeg North Centre (Mr. Knowles) and to which he has just made reference. It reads:

That Bill 331 be not now read a second time but that the subject matter thereof be referred to the special committee on redistribution with instructions that they have power to consider whether the British North America Act should be amended so as to provide that the readjustment in the representation in the House of Commons to be effected following the decennial census of 1961, and each decennial census thereafter, shall be made, subject to any rules to be prescribed by parliament, by an independent commission to be established by parliament for that purpose.

The essence of that amendment is, first, that the matter be referred to the committee with instructions that they have power to consider whether the British North America Act should be amended. In any event it is not applicable to the present time; it refers to a future date. The essence of that amendment is that the commission should operate at a date removed from the present by ten years. The amendment moved by the leader of the opposition (Mr. Drew) reads:

That the said bill be not now read the second time but that it be resolved that in the opinion of this house consideration should be given to the enactment of a measure to provide for the appointment of a commission to effect the redistribution of electoral ridings in accordance with the census of 1951 and pursuant to the provisions of the British North America Acts, 1867 to 1952 inclusive; such commission to be instructed to make its report to this session of parliament upon the resumption of its sitting.

Citation 657 of Beauchesne's third edition, upon which this amendment is based, reads:

It is also competent to a member who desires to place on record any special reasons for not agreeing to the second reading of a bill, to move as an amendment to the question, a resolution declaratory to some principle adverse to, or differing from, the principles, policy, or provisions of the bill, or expressing opinions as to any circumstances connected with its introduction, or prosecution; or otherwise opposed to its progress;...

Similar amendments have been moved on previous occasions, and I would refer to an amendment moved by the hon. member for Assiniboia (Mr. Argue) on March 27, 1950, which reads:

That Bill No. 17 be not now read a second time but that it be resolved that in the opinion of this house consideration should be given to the introducing of legislation to amend the Agricultural Prices Support Act so as to provide that floor prices should be established at such levels as to guarantee to producers a price-cost relationship not less favourable than that prevailing in the period 1944-48.

My submission is that the amendment moved by the leader of the opposition is entirely different in application and in time period, and also in its purported relationship to anything that has been dealt with previously, in particular to the amendment moved by the hon. member for Winnipeg North Centre. I submit that the amendment is proper and should be upheld by Your Honour.

Mr. Fleming: Mr. Speaker, I do not intend to repeat the observations made by the hon. member for Lake Centre (Mr. Diefenbaker) and the hon. member for Winnipeg North Centre (Mr. Knowles), but I should like to emphasize, by reference to the debate that occurred on June 12, the essential difference between the amendment now before the house and the amendment introduced at that time by the hon. member for Winnipeg North Centre. As you will recall, that amendment was to have a future operation only and had no reference whatever to the redistribution required to be made following the census of 1951. The essence of that amendment, as interpreted in the debate which followed, was that it should write into the British North America Act a requirement that all future redistributions, commencing with the one following the census of 1961, should be carried out by a commission.

You will recall that in the notable speech made on that occasion by the hon. member for Quebec South (Mr. Power) he emphasized that that was not the kind of amendment that ought to be written into the British North America Act. It seems to me that that is the basic distinction between the amendment introduced on June 12 and the amendment before the house at the present time. There was no opportunity under that amendment for members, who held the point of view that some of us did, that that kind of provision ought not to be written into the British North America Act, to contend that that should be a matter of procedure in this house covered by statute.

The issue decided on June 12 was that such a matter was not a proper subject of amendment to the British North America Act, but it did not go further and say that redistribution by means of a commission should not be carried out pursuant to ordinary statute or decision of this house.

Mr. Drew: Mr. Speaker, just to refer to the aspect of this problem which has been raised by the hon. member for Eglinton (Mr. Fleming), I would point out that the motion at that time was a proposal to amend the British North America Act. It would seem that what was in the mind of the hon. member for Winnipeg North Centre (Mr. Knowles) in presenting that motion was that he did not think that we could not proceed in this way at that time and was suggesting an amendment to cover 1961.

Mr. Knowles: I thought we could but I was afraid the house would not agree with me.

Mr. Drew: In any event there were many who had the idea at that time with the prorogation of parliament, no matter how desirable another system might be, it would not be practical to set up some other body and have them report back in time for the house to deal with it. I think that perhaps that is what was in the mind of the hon. member for Winnipeg North Centre.

Mr. Knowles: And I did not know at that time that the house was going to be in session until November 20.

Mr. Drew: That is what I am pointing out. Assuming that such thought was in the mind of the hon. member—I suggest that that has something to do with the argument that is put forward that this is out of order—what in effect was sought by the motion made at that time was this: We do not think we will have time to deal with this act before we are through the present session, therefore I am suggesting an amendment to the British North America Act which would have effect in 1961.

First, we have the fact that an amendment was proposed to the British North America Act. That is not proposed in the motion I have presented. Second, we have the fact that it was something that would take place in 1961

and not at the present time, which makes it entirely different from the present motion.

To carry it to the point of absurdity, a motion could be made that something be done twenty-five years from now. If that were passed between now and twenty-five years from now we would be precluded from dealing with that subject simply because that resolution had been put forward.

Mr. Knowles: It sounds like the Liberal platform of 1919.

Mr. Drew: I do not propose to go that far afield or delve that far into the realms of imagination. I am simply dealing with the fact that this was a motion to do something in the future by an entirely different method than that now before us. I submit, Mr. Speaker, that acceptance of the proposal put forward by the hon. minister on this occasion would lead to a most extraordinary result because debate could be deliberately stifled through the delaying action of a motion to take place some time in the future.

Mr. Speaker: Fortunately it is one o'clock so I shall have an opportunity to consider this.

At one o'clock the house took recess.

The house resumed at three o'clock.

Mr. Speaker: When the house rose at one o'clock, we were considering whether or not the amendment which had been moved by the leader of the opposition (Mr. Drew) was in order. I may say frankly that when I first read the amendment I was under the impression that it was out of order, because it appeared to me to be substantially the same as another amendment upon which a vote had been taken in the present session. However, during the luncheon recess I have had an opportunity of reading the amendment which was moved on June 12, and comparing it with the amendment which has been moved today. I have also had the opportunity of considering what was said this morning, both against the regularity of the amendment and in support of it.

I have come to the conclusion that, although there is a similarity between the two amendments there is also a considerable difference. The amendment of June 12 was one to a bill which was moved in order to amend the British North America Act. That amendment proposed that the act should be amended by providing for the setting up of a commission to effect the redistribution of electoral ridings after the year 1961. The present amendment refers to another bill, namely the bill which is now before the house, and proposes that a commission should be set up now to consider the redistribution at the present time.

In my opinion, if the present amendment carried it would not be inconsistent with a decision which has been arrived at during this session. In view of that, and the fact that there is a difference between these two amendments, I have come to the conclusion that I should allow the amendment to stand.

Mr. Stanley Knowles (Winnipeg North Centre): We in this group, Mr. Speaker, are glad that the house will now have an opportunity to vote on the proposition set out in the amendment of the leader of the opposition. Naturally we most heartily approve of the decision that Your Honour has just given, and we hope that the house as a whole will really give serious consideration to the suggestion which is now being made. In your ruling a moment ago, Your Honour referred, as did some of us this morning, to the fact that there has already been one debate in this session as to whether we should decide now to have an independent commission do this job in the future. It is a matter of regret to me that the house rejected that idea. This is another question, and as the leader of the opposition pointed out this morning, the fact that this session is to be continued until November 20 does make it possible for consideration to be given to an alternative way of dealing with the present redistribution.

As I indicated this morning when we were on the point of order, had it not been for the amendment moved by the leader of the opposition, we in this group would have moved one in similar terms. Perhaps it might not be inappropriate for me to indicate to the house what the terms of that amendment would have been. It would have read as follows:

> That this bill be not now read a second time but that it be resolved that in the opinion of this house consideration should be given to the referring of the readjustment of the representation in the House of Commons, required as a result of the decennial census of 1951, to an independent commission and that in the opinion of this house consideration should be given to the appointment of such a commission for that purpose.

As I have already said, had the way been clear by the time the debate reached our group, that amendment would have been moved, in line with a similar amendment which we moved in February, 1947, on the occasion of the last redistribution.

This morning the leader of the opposition gave a great deal of the history of this question so far as the Canadian parliament is concerned. I shall not repeat the quotations that he gave, particularly those from the late Mr. King and the hon. member

for Quebec South (Mr. Power). Those references do indicate very clearly that there has been thinking in the direction of an independent commission by the Liberal party for a long time.

Now, there is one other bit of evidence pointing to the fact that Liberals have thought for a long time about this job being handled independently. I refer to a bill which was passed by the House of Commons in 1899. That was during the days of Sir Wilfrid Laurier as prime minister, and the bill in 1899 was designed to correct what the Liberals of that day felt to be some of the injustices of the redistributions following the censuses of 1881 and 1891. The bill was limited in its scope, so far as the idea of an independent commission was concerned, but at least it proposed that all those federal constituencies in the province of Ontario which crossed county lines should be reviewed by an independent commission of judges.

It so happens that the bill was opposed in the House of Commons by the Conservative party of that day. There was a recorded vote on second reading. Then, despite the fact it passed in the House of Commons, it was defeated in the Senate and thus never became law. As I say, Mr. Speaker, I have added that bit of evidence to that which the leader of the opposition (Mr. Drew) gave this morning, in order to show that the idea of an independent commission is not something new. So far as the Liberals are concerned, they have been thinking about it and speaking about it for a long time. Perhaps I might mention again the words of Mr. King on February 3, 1947, when in reply to Mr. Bracken in the debate on the address in reply to the speech from the throne of that year, he said:

> . . . I do not believe that the majority of hon. members take that view, and in that particular I am prepared to accept the will of the majority. I hope, however, the day will come when the House of Commons of Canada will see the wisdom of allowing its redistribution to be made by some impartial tribunal and not by the members of the house themselves dealing with the matter in committee as in former years it has been dealt with.

On that occasion Mr. King referred to the many times he had expressed that view. In other words, as far as Mr. King was concerned, it was Liberal doctrine across the years that redistribution should be effected by an independent commission, even though that doctrine was never implemented by Mr. King.

We of the C.C.F. have taken that view in this house during the time this party has been here. My leader, the hon. member for Rosetown-Biggar (Mr. Coldwell), moved a resolution to that effect on a private members' day back in the thirties, in between the redistributions following the censuses of 1931 and 1941. Likewise in 1947, when the second reading of the redistribution bill of that year was before the house, it was my privilege, on behalf of this group, to move an amendment calling for that redistribution to be effected by an independent commission. Only a few days ago, on June 12, we of this group made that proposition again in the form of an amendment to the bill that amended the British North America Act.

Mr. Speaker, I have indicated the long-standing support—in words, at any rate—on the part of the Liberals for an independent commission. I have indicated that that is our view and, if I may say so with respect, without trying to pick a quarrel with anyone, we now welcome to our position the Progressive Conservative party which, I think it is fair to say, for the first time have officially asked for an independent commission to do this job.

In recent years there have been two recorded votes on the question. There was the one on June 12. I recognize the reason why—although I think it was splitting hairs—the Progressive Conservatives voted against my amendment on that occasion. But at any rate, on that occasion they voted solidly against the proposal that redistribution by an independent commission should be declared as a principle in the constitution of this country. Back in 1947, when this question was before the house in the form of our C.C.F. amendment, the Progressive Conservatives voted both ways. I have before me the *Hansard* of February 24, 1947, and I find that 19 of them were progressive and voted for our amendment and that the other 21 were conservative and voted against it. In that same session, although Mr. Bracken had asked Mr. King to state what his intention was with regard to the redistribution of that year, Mr. Bracken did not ask for an independent commission.

I cite that past history not in order to chide my friends to the right but rather to emphasize the fact that they have now joined with the rest of us in this house who, across the years, have been asking for an independent commission. I hope that the government will recognize the relative unanimity we have now attained on this point. I must not speak for the members of the Social Credit group. They have opposed our motions on this matter in the past. Their view today, which I should think would be different after the experience of the last few weeks, is one that they will have to express for themselves. But, Mr. Speaker, in view of what has happened now, in that the Progressive Conservatives through their leader have officially asked that this job be done by an independent commission, and in view of the fact that as long ago

as 1899 the Liberals tried to get it done in that way through a bill, and have been suggesting it periodically every since then through the lips of Mr. King and through the utterances of the hon. member for Quebec South, I suggest that the time has come to adopt that method which is in effect—as the leader of the opposition has pointed out—in the United Kingdom, New Zealand and Australia and which we feel should be the method for effecting redistribution here in Canada.

Mr. Speaker, the reasons for the desirability of an independent commission are obvious. In the first place, it is desirable not only that there be fairness in the redistribution of the seats in the House of Commons but that there be satisfaction on the part of the country that there has been fairness. I know that members on the government side, whenever the matter of redistribution comes up for consideration, will argue that they have been fair. They have always done that, whether it was the Liberals or the Tories who were in power, except for the occasion when Sir. John A. Macdonald was so frank about hiving the Grits. But it is not a question of whether or not the Liberals or the Tories think the redistribution is fair or unfair. The question at stake is the impression created in the country. Certainly from a parliamentary redistribution the country always gets the impression that there has been a scramble on the part of all parties, and all members of the committee; and that the best that can be said for any map that is drawn is that it is a bundle of compromises.

This is a subject about which, as the leader of the opposition pointed out this morning, we all have to speak with some restraint. No one who has been a member of a redistribution committee can take any holier-than-thou attitude. It is inherent in the very set-up of this job being done by a parliamentary committee that there are compromises and discussions back and forth and that there are all sorts of interests—some of them that concern the people of Canada but some of them that concern personalities in the House of Commons—that come into the picture. We suggest, Mr. Speaker, that it is wrong in principle that so priceless a part of our democratic heritage as the representation in the House of Commons should be determined by the members who are so closely affected, who cannot possibly take an objective view, and who certainly cannot take one that will be recognized by the country as a whole as being objective.

Therefore, Mr. Speaker, for the sake of fairness and for the sake of the appearance of fairness we suggest that the practice

followed in the United Kingdom, New Zealand, Australia and other democratic countries should be followed in Canada. We suggest that it is high time that the start which the Liberals made in 1899 should be proceeded with, and that we should have an independent commission.

Not only is there the appearance of unfairness, Mr. Speaker, in the redistributions that have taken place in the past and in the one that may take place as a result of our passing this bill, as between individual constituencies, as between members and as between parties, but there is also the extremely difficult problem of apportioning the seats in any one province as amongst distinctly urban areas, mixed areas and distinctly rural areas. This is a problem that always enters into any attempt on the part of a committee to do the job of redistribution. No committee ever likes to upset more boundaries than it must. Thus it is that when you get a decade in which there may have been quite a shift in population within a province—as is happening in our time—from rural areas into urban areas, there is always reluctance on the part of the parliamentary committee to do an objective job and to give to the areas that have become congested representation in proportion to their population.

I accept the ruling that you gave this morning that it is not in order for us now to discuss what the committee has done, the report from which has not yet been laid on the table. But in principle, I suggest that past redistributions indicate to us that parliamentary committees do not deal fairly and objectively with the question of the proper disparity between distinctly urban seats on the one hand and distinctly rural seats on the other, let alone the problem that arises because of the fact that some seats are in between, are half one and half the other. When we come to the schedule I shall have something to say about that with respect to my own province in terms of actual percentages, in terms of the percentage that we were given last time and the percentage which we were given this time, which I think is quite unfair to my city of Winnipeg. But the submission I am making now on principle is that a parliamentary committee has not the objectivity, has not the freedom from the interests of the members who are here, to deal with that problem in the way that it ought to be handled.

The hon. member for Quebec South in the bill which he has on the order paper, the second reading of which has not yet been reached, deals with this problem. He proposes a formula, namely, that an urban seat should have approximately one-quarter greater population than the average rural seat. Some

hon. members may agree with that percentage; some may disagree with it; but at least all hon. members will agree that it is a mighty good idea to have a rule. We do not have any; we just redistribute according to the whims and the compromises that go on in a committee of members, all of whom are personally interested either on their own behalf or on behalf of their friends here in parliament in the outcome of that redistribution.

Now, as Professor Norman Ward said in one of his articles on this question, it is impossible for any group of men with the best will in the world to deal with that problem in an objective manner. Perhaps I should place on the record once again these words of Professor Norman Ward, because it seems to me they do deal with the problem very aptly. This is what he said:

> The problem of redistribution has become too vast and complicated to be handled satisfactorily by a committee of the House of Commons, which like all house committees, has no staff trained in research techniques or anything else. With the best will in the world, a group of M.P.'s drawn from many occupations, provinces and political parties would find it extremely difficult to face objectively the problems connected with sharing seats fairly among the people within each province. Population density, homogeneity and topographical features and area, are all factors which ought to be considered seriously. But under the normal circumstances in which redistribution takes place in the House of Commons, with all parties jockeying for position, all factors become entangled in what Hon. C. G. (Chubby) Power, M.P., who ought to know, has called an "unseemly, undignified, and utterly confusing scramble for personal and political advantage."

That quotation from Professor Norman Ward includes a quotation from the hon. member for Quebec South, which the leader of the opposition placed on record two or three times this morning. I think that all of us, from whatever party we may come, who have participated in the present redistribution, or the one in 1947, or any who were here longer and were on any previous committees, will have to admit that that is an apt description of how things are done.

A case could be made against the changes that are harmful to opposition parties; a case could be made by government members, justifying the changes that have been made; but in any one of these efforts are we not simply demonstrating to the country that they are right in feeling that this job is not being done objectively when it is done by a committee of the House of Commons? Therefore, Mr. Speaker, because of that position which we have taken across the years, because it is the position that the Liberals have taken at least since 1899, because it is the position the Tories are now taking officially as from today, because of the request made by their leader today and his amendment, which I presume all his members will vote for, it seems to me that the house as a whole should give more serious consideration to this question than it has up to the present time.

This session is shortly to be adjourned, and we shall be back on November 20. I recognize that that is not long enough for a commission to do the thorough job that it could do in a few years if it had the time; but I suggest it is long enough for it to do something of a job that would at least appeal to the country as being an objective proposition rather than one worked out by people with too much personal interest in the whole question. That is a longer period than the committee has had to work on the matter. Therefore, Mr. Speaker, we shall support the amendment that is now before us, it being in terms similar to the one that we moved in 1947, and similar to one that we would have moved today, and we hope that it will have the support of the house, and that this time we will decide that we have had enough of this kind of redistribution, and that we are going to have it done by an objective group of people made up of judges, perhaps geographers, statisticians, surveyors, professors of political science—

An hon. Member: Of the C.C.F.

Mr. Knowles: —people who have knowledge of these matters and have the respect of the community as being fair-minded, and objective. We strongly support this motion and hope it will have the endorsation of the entire house.

Mr. Larson: Will the hon. member permit a question?

Mr. Knowles: Yes.

Mr. Larson: If that is the official view of the C.C.F. party, why did they not have an independent commission in the province of Saskatchewan?

Mr. Knowles: I hope that when this house has decided on an independent commission all of the provinces of Canada will follow suit.

Mr. Bradette: Your party has not followed it in Saskatchewan. That shows what sincerity there is in that kind of argument.

Mr. Robert Fair (Battle River): There is so much argument going on between different members that I doubt whether I will be able to be heard in the few words that I have to say at this time. However, I might say that I am now sitting on the redistribution committee for the third time since I came to the

house back in 1935. I believe that if we can make use of the honesty, sincerity and good sense of each individual we can still do a good job under our present system. This is one instance in which politics should be left out, and I am sorry to say that it is not left out altogether, but that is the case with respect to the motion that is moved at the present time. We did have two or three small differences in Alberta, but we have done a fairly good job, and I am only sorry that all the other provinces have not been able to do the same thing.

Mr. Speaker: Order. I do not think the hon. member should discuss the details of the bill and the schedules at this time.

Mr. Fair: I was speaking of the principle of the motion on the commission and the principle of the bill also. If we were to adhere to these things all around in the subcommittees as well as in the main committee on redistribution I do not think we would have any trouble whatever.

Under the commission plan, as I understand it, there will be no opportunity, when people are dissatisfied, to pick out any particular constituency and deal with it. The whole thing would have to be returned to the commission. Then again the terms of reference of the commission might be so loaded that many on the opposition side at that time might have difficulties, the same as they are having at the present time. I am satisfied, as I said before, that under our present system if our representatives in each province are allowed to exercise the good intentions they have when they go in there, in most cases—I do not say in all cases, because there are some intentions that are not so good—it will work out all right when they go into those committees. But I think if they act honestly, as they do in their everyday lives, in these committees there will be no difficulty at all with the system that is being used at the present time.

When troubles come up in the subcommittees and they are brought to the main committee, of course we know what the result is, and what it has been in the past. Again, if the results are carried in the committees, I know they will be carried here, also; because it would not do at all to change decisions that have been made in committee.

But, so far as I am concerned, and so far as the Social Credit group is concerned, we are quite satisfied to continue under our present set-up. At the same time we would express our regret that politics have been brought into the subcommittees in dealing with the boundaries of the several constituencies, and we would hope that in the future that would be eliminated.

Mr. A. E. Dewar (Qu'Appelle): Mr. Speaker, I had not intended to speak in this debate at all, but what I would like to say will be brief and to the point. What I intend to say I shall say when the schedules are brought back to the house.

This morning I listened to the leader of the opposition (Mr. Drew) praise the many excellent speeches of the hon. member for Lake Centre (Mr. Diefenbaker) in support of the proposition to take redistribution away from parliament and to entrust it to an independent commission. I was surprised to hear this, because I had gone back to *Hansard* and had listened to the numerous speeches of the hon. member since I have come to the house, and I have never heard him speak on this issue at all. As a matter of fact, the hon. member for Lake Centre always champions the supremacy of parliament.

Mr. Diefenbaker: Mr. Speaker, I rise on a question of privilege. This indicates that my hon. friend has not read very carefully, and that he did not receive proper instructions from those who are his mentors; for I dealt with this matter.

Mr. Dewar: Mr. Speaker, on a question of privilege, the hon. member has imputed to me that someone has instructed me to speak. No one instructed me to speak. I ask him to make a withdrawal of that imputation, that I have been instructed to speak.

Mr. Diefenbaker: Mr. Speaker—

Mr. Dewar: On a question of privilege; the hon. member stated I had been instructed.

An hon. Member: Sit down.

Mr. Diefenbaker: Mr. Speaker—

Mr. Speaker: The hon. member for Qu'Appelle says that he was not instructed.

Mr. Diefenbaker: What is that?

Mr. Speaker: The hon. member for Qu'Appelle says that he was not instructed.

Mr. Diefenbaker: Well, if he was not instructed, I just noticed the Minister of Agriculture (Mr. Gardiner) talking to him.

An hon. Member: Sit down.

Some hon. Members: Withdraw.

Mr. Brooks: Here we go!

Mr. Gardiner: It is quite correct that I went over and made a remark to the hon. member for Qu'Appelle, but I had nothing to do with his speech. I did not know he was going to make a speech.

Mr. Diefenbaker: That is fine.

Mr. Gardiner: I did not tell him to make a speech, either. Of course this party may be a little different from the Conservative party. I would like to know who instructed my hon. friend to get up and make a speech now. I certainly did not ask him. I would advise him that he ought to be careful about what he says when he is speaking.

Mr. Diefenbaker: Now, I rise on a question of privilege, and say—

An hon. Member: Withdraw.

Mr. Diefenbaker: I will withdraw nothing; I will withdraw nothing!

Mr. Speaker: Order. The hon. member for Lake Centre stated—at least I understood him to say—that the hon. member for Qu'Appelle was instructed to make a speech.

Some hon. Members: No.

Mr. Diefenbaker: No.

An hon. Member: Yes he did.

Mr. Stuart (Charlotte): He said that.

Mr. Speaker: If the hon. member did not say that, probably he would repeat what he did say. But my suggestion is that—

Mr. McCusker: Who is instructing him now?

Mr. Diefenbaker: Mr. Speaker—

Mr. Ross (Souris): McCusker's last stand!

Mr. Speaker: I suggest that the hon. member for Lake Centre should accept the statement of the hon. member for Qu'Appelle that he was not instructed.

Mr. Diefenbaker: I accept that, because it is obvious he was not instructed. I had dealt with that matter, and dealt with it in the house, and in 1947 referred to the need for a commission.

Mr. Dewar: I accept that, too. It has been my experience that the proof of the pudding is in the eating. We will go back and see what happened in 1947.

Some hon. Members: Oh, oh.

Mr. Speaker: Order.

Mr. Dewar: I do not see the hon. member's name reported in the vote taken, supporting the amendment of the C.C.F. party.

Mr. Sinnott: He was not there yesterday, either.

An hon. Member: He ran away yesterday.

Mr. Dewar: As recently as June 12, when this subject was previously discussed, the hon. member for Lake Centre spoke about three minutes prior to the taking of the vote, and yet I notice his name is not recorded in the vote.

Mr. Diefenbaker: Mr. Speaker, again I rise on a question of privilege. Again what the hon. member says indicates that he was not instructed, because I was not here on that debate.

Mr. Sinnott: You were here yesterday.

Mr. Dewar: He said that I was instructed. I have here *Hansard* for June 12, and I notice that—

Mr. Diefenbaker: When we voted I was not here on that date.

Mr. Dewar: You were in the house; three pages previously you were in the house, asking a question. You are playing the same game this week. You were here about five minutes before the vote was taken—three minutes before the vote was taken.

In fairness to the hon. member for Lake Centre, however, I would like to ask the leader of the opposition to indicate where we can find some of these excellent speeches of the hon. member for Lake Centre, so I can read them.

Mr. Donald M. Fleming (Eglinton): Mr. Speaker, the heat engendered on the part of the hon. member for Qu'Appelle (Mr. Dewar) with respect to the hon. member for Lake Centre (Mr. Diefenbaker) is just a repercussion of the gerrymandering that has been proceeding involving Qu'Appelle at the expense of Lake Centre.

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

Some hon. Members: Sit down!

Mr. Dewar: On a question of privilege; the only heat that has been generated by me, and will ever be generated, is that I shall speak my mind. Every time the hon. member for Lake Centre gets after me, I will go right after him.

Mr. Fleming: My hon. friend is going to be "going after" for a long time.

Mr. Ferrie: On a question of privilege; the charge that there has been gerrymandering is unparliamentary.

An hon. Member: Sit down.

Mr. Ferrie: Let me make the statement that there has been gerrymandering of no constituency in Saskatchewan. I wish to say that there is no such thing as gerrymandering.

Mr. Fleming: The last remark of the hon. member for Mackenzie (Mr. Ferrie) makes me think of the remark of the hon. member for Battle River (Mr. Fair) who said there was nothing wrong with the present system, if only the members going into the committee on redistribution and into the subcommittees would forget their interests in politics. Now,

if anybody can find a way to make the leopard change his spots, then there is some hope for the present system—but only if you can make the leopard change his spots. Anyone who has had the unhappy—

An hon. Member: Oh, oh.

Mr. Fleming: My hon. friend knows all about spots; he can see them.

Anyone who has been through the unhappy experience of sitting through the meetings of the redistribution committee over the past couple of months will have remained unimpressed by any suggestion that the members should forget that they are members of political parties. Although I was in the house when the last redistribution was carried out in 1947 I was not a member of the committee at the time. I know from my more recent experience just what I missed then. So far as I am concerned, this experience of sitting on the redistribution committee has been an eye-opener. I hope I am not completely naïve in political matters; certainly I am not so naïve as to believe in the statement recently made by the hon. member for Battle River. I may say to him that if anyone goes into that committee hoping to see that important task carried out with some regard for principles he is in for a very shattering disappointment.

It has been a wearying and a very disappointing experience. In the light of this I can state at once that I am convinced that some better method of effecting redistribution must be found. I say that notwithstanding the fact that the present method has been in effect for a considerable time. While in times past I have personally entertained some serious doubts about the method of achieving redistribution by means of a commission, in the light of my recent experience I have come to the view that that method must be tried. The present method has exposed its own shortcomings so completely in recent weeks that in my view the time has come when we must apply our intelligence to finding a better method. Here is a method at hand, the use of a commission, which I for one not only will be prepared to see tried but will welcome the opportunity of giving it a fair trial to see if it cannot be applied to better advantage than the method now being followed.

At the moment there are only two alternative methods open to us. One is the method that has been followed at this present session; the other is the commission method. I wish to make some observations concerning the present method and I do so with my recent experience directly in mind.

In the first place, the present method necessarily implies that the government possessing a majority in the house will possess a majority in the committee. If they wish to make ruthless use of that majority, in the last analysis there is nothing that can stop them immediately, though public opinion will catch up with them eventually. The greater the government majority, the less its sense of responsibility, the greater the extent to which totalitarian ideas have seized the minds of the government and its following, then the greater the risk that abuses will result from the use by the majority of its powers in the committee. That is the point. I am not speaking of something theoretical, I am speaking of what has happened before our eyes.

The second point is that principles which receive lip service in all parts of the house from time to time fail to receive any measure of consistent support in the committee. We see one principle invoked to justify what is done in connection with one riding, but when we move to another riding where the political situation happens to be a little different, that particular principle seems to be completely forgotten; it is abandoned and something else arises to dictate the decision in that particular case.

Mr. Harris (Grey-Bruce): Hear, hear.

Mr. Fleming: I think the minister can well applaud. He and I have been through this experience. We have attended a good many meetings together sitting across the table in room No. 430 during recent days and weeks. What is required is some consistent application of principle. Gross inequality of treatment of different constituencies is bound to result unless there is some means of guaranteeing a consistent application of principles. In the many and strange abortions in size and shape of ridings which we shall be seeing shortly will be found the truth of what I am saying, that there has been no adherence to principle.

In the third place, and this is a serious criticism which flows from the two factors I have just referred to, glaring inequalities do result within the same province. I am not comparing a riding in the territories with a populous metropolitan riding; I am referring to the situation within a single province. Take my own province of Ontario as an example. Can any member say that principle has been honoured consistently when you have a situation where the riding with the lowest population will be around the 30,000 mark and then there will be ridings with populations of over 90,000? Can that be defended in principle? In my submission,

when you have results like that, when you have such glaring inequalities you see exposed the weaknesses of the present system.

Then in the fourth place there is in such a committee a great deal of pulling and hauling at all times, and gerrymandering. Ever there is the problem—I think this indicates one of the inherent weaknesses of the present system—created by the fact that government representatives on such a committee are the objects of a great deal of pressure from within the ranks of their own party. That will always be so as long as the present method is followed. There will be accusations within the same party of playing favourites, of favouring one member at the expense of another, of putting up a hard fight for one member and not putting up a hard enough fight to protect the rights of another member. So you have a situation where there is pulling and hauling, where there is accusation of internal favouritism. Hard feelings can be engendered whether such accusations are fair or unfair and there is always the temptation faced by government majorities to liquidate political opponents.

In the fifth place, there is the situation that is created in the main committee. I think in some of the provincial subcommittees the discussion has been quite brief, but in other subcommittees there has been extended consideration. I think at once of the Ontario subcommittee whose meetings were quite extended and numerous. What is the situation when the subcommittees report to the main committee? I do not think it is unfair to say that when decisions are taken in the main committee by those who do not reside in the province particularly concerned, government members are content with very little knowledge of the issues really involved. In the Ontario subcommittee when I said I wished to explain a particular situation fully to the members of the main committee I was told: "You are not going to change anything in the main committee".

Mr. Speaker: I do not think I can permit the hon. member to discuss at this time what took place in the committee.

Mr. Fleming: I was using it by way of illustration of the sort of thing that does happen, but I will not pursue the point. I will just say that I think under the present system, without making detailed comment on the present committee of the house or of its subcommittees, you are going to find that members of the main committee who reside in provinces other than the one particularly concerned have very little direct knowledge of the issues involved in the decisions affecting riding boundaries in that particular province. When we talk about using the wisdom and experience of parliament to apply to a particular situation I think in fairness, sir, and in the interests of accuracy it should be said that that type of knowledge goes very little beyond the borders of the particular province involved. At any rate that has been my observation.

Now, sir, you have indicated by your ruling this morning that you do not intend to permit discussion of the boundaries of particular ridings and I shall certainly respect your ruling, Mr. Speaker; but I ask whether a system can be defended in principle which results in glaring inequalities, inequalities of population as between constituencies in the same province, in the same part of the same province—for instance a low of 30,000 compared to 90,000 on the other hand. That cannot be justified in principle, Mr. Speaker, and it is principle that, as I understand it, we are discussing in this particular debate. When we see cabinet ministers enjoying benefits of ridings with low populations, pocket boroughs of which the sitting members are cabinet ministers, then again, sir, I think that is a situation that cannot stand up to honest and fair criticism.

So much, sir, for the system currently in vogue. I have had to speak critically of it because I speak of it as I have found it and as I have seen it, but I would like to speak briefly now of the other alternative, the proposal for dealing with this matter by a commission.

As I indicated earlier, I came to the view I now hold after having entertained originally —and when I say "originally" I mean in previous years—some serious doubts on the subject. I was impressed by arguments to the effect that this was a matter in which parliament itself should retain complete responsibility. However, Mr. Speaker, in the light of what I have now seen I am satisfied that another and better method must be found. The method by commission in the light of experience with such a method in the United Kingdom, Australia, New Zealand, and South Africa has so much to commend it that I think in all earnestness it ought to receive a fair and complete trial here in Ottawa. It is true, sir, that in the United Kingdom this method has worked with eminent satisfaction. There is no responsible quarter in the United Kingdom today, as I am informed, from which criticism is directed at the commission method of achieving redistribution. If it can be made to work with such general satisfaction in the

United Kingdom I do not see why, Mr. Speaker, this parliament cannot put it to work with equal satisfaction.

Now, sir, I wish to deal frankly with this question of whether the commission method does subtract something from parliament's control. In the United Kingdom there is a good deal of vigilance on the subject of retention of parliamentary control. That experience gives me reason to think that there is no basic discrepancy between the application of this method and the maintenance of parliamentary control, which is a very important factor for those of us who sit in the official opposition. But does it mean that there is a contradiction, Mr. Speaker? I think not. When the report of the commission is completed it still requires a statute of parliament to give the formal effect of law to that report, and there will then be in parliament the fullest opportunity for discussion of the report of the commission. The experience and knowledge of members of parliament will be available to be brought to bear on such report. There is no reason to think there will not be the fullest opportunity to discuss such report and when the report comes before this house, as a report is going to come before this house from its committee on redistribution either tonight or Monday, Mr. Speaker, the result will depend in large measure upon the weight behind the report. When the house receives the report of the commission it knows at any rate that the commission, if it is an adequate commission, has carried out its task and made its report without any desire to sharpen political axes, to liquidate political opponents or to perpetrate hardships and injustices upon individual members of this house or members of the party that happens to be in a minority.

The report of a commission if it came to parliament would I think receive the respect that would be due to the commission having regard to the personnel of the commission, the thoroughness of its labours and the intrinsic merits of its report. Parliament then will have full opportunity of weighing that report and taking its responsibility for either enacting that report and its recommendations into law or on the other hand for differing or departing from the recommendations made by a commission appointed with the consent of parliament.

Now, sir, there is another feature to this method of appointing a commission which must be faced. If there is to be a commission that body will require guidance from parliament as to the principles which it should follow in proceeding with its task. Now, there are some principles that are discussed from time to time; there are principles to which lip service is given here and elsewhere from time to time. But so far as I am aware, Mr. Speaker, there has been no attempt by this house to write principles in the form of law or in any form that would even be binding upon a committee of this house, with the inevitable result that when a committee is appointed it has virtually a free hand to apply a principle, disregard a principle, or to apply a principle in one case and to ignore it in another case.

Mr. Speaker, with a commission appointed under parliamentary authority I think parliament will be obliged to take responsibility for directing that commission as to the principles which it ought to follow. In this house there have been proposals by one or two members indicating principles. There would have to be a body of principles. The hon. member for Quebec South (Mr. Power) has made a useful contribution with the suggestion on his part that the following would be principles worthy of parliamentary adoption for the guidance of any commission appointed to carry out redistribution:

(a) permanence in the definition of the boundaries of electoral districts is desirable;

(b) the development of a sense of community of interest among the electors in each electoral district is to be encouraged;

(c) the territorial area included in each electoral district should be continuous;

(d) electoral district boundaries should follow the lines of division between recognized municipal, administrative or other areas by reference to which the census figures have been compiled;

(e) the population included in each urban electoral district should be greater than in each rural electoral district;

(f) the population of each urban electoral district in any province should be equal, and that of each rural electoral district in each province should likewise be so.

It may not be, in every case, simple and easy to apply all such principles, but at any rate they would be a useful guide. There are others that could be added to them. I do not suggest that such a list is necessarily exhaustive, and I do not suggest that it is complete. But at any rate, Mr. Speaker, we are not going to have a fair and comprehensive discharge of the duty of redistribution unless there is some attempt to lay down principles in a way that will be binding upon those who are charged with carrying out the task of redistribution. As long as we follow the method of a parliamentary committee, I cannot see that we are going to have anything but the kind of situation we have now, where the principle is applied where it happens to suit the majority and disregarded where it happens not to suit their purpose.

Then there is a third aspect of this matter of the commission method, and in my view it is vital. The success of the commission method depends upon the quality of the personnel of the commission. We would not be very much further ahead if the government simply exercised the power it enjoys at the hands of the majority of this house and appointed a commission of partisans of its own choosing; that is not the kind of commission for which the leader of the opposition is contending. It will have to be a commission composed of men whose objectivity in these matters is above suspicion. Remove the political motives that necessarily enter into the calculations of members of a parliamentary committee, and I think you will have gone a long way toward eliminating the injustices, the political liquidations that necessarily result under the present method.

The suggestion has been made by one or two members that the commission should be composed of judges. I do not wish to be taken as subscribing to that view, because I am not at all sure it is a proper position in which to put a judge. But I am satisfied, sir, that there are men in this country whose objectivity or sense of justice and fair dealing are beyond reproach, and who would be available to render what would be a very outstanding public service in such a capacity. They will have to be men with knowledge, and they will have to have assistance. I do not suppose there is anybody in this house, regardless of the length of time he has been in the house or the extent of his travels across this country, with all the knowledge the members of such a commission would require. The plan put forward by the hon. member for Quebec South (Mr. Power) has taken account of that fact, and proposed that assistance be provided by way of advisers or what he calls assessors in the various provinces, to assist those who are members of the commission appointed for this purpose.

Therefore I say that whatever objections have been raised to the commission method are capable of being fully met. There is no reason whatever why this method should subtract anything from the responsibility or the control of parliament over redistribution, or its duty in that regard. If the government of the day will apply its considerable ingenuity to the selection of men, and do it in consultation with the other parties in the house, there is no reason why competent men could not be appointed. The hon. member for Quebec South proposed that the political bias which would tempt the government in the naming of the personnel of such a committee be eliminated by having the appointments made in consultation with the leader of the opposition, who it was proposed would also consult others in the opposition as well. I am satisfied, sir, that if there is a will on the part of the government to see redistribution carried out in such a way that it will accomplish and not defeat justice, that will really be a fair, comprehensive and principled redistribution, it can be done by this commission method. It is not being done, and I am convinced it cannot be done under the method currently in vogue.

There is a question of the time element as applied to the present situation. As the leader of the opposition pointed out this morning, if we were about to prorogue in a day or two it might be said that by advocating the reference of this matter at this stage to a competent commission it would inevitably result in delay. Even if it did result in delay, Mr. Speaker, until the next session, that would be a very small price indeed to pay for so desirable a purpose. I do not think we are likely to need the redistribution act before the next session of parliament. I do not think the government will be in great haste to call a general election before parliament meets again. I believe they have had their fingers sufficiently burned recently in a series of by-elections so that any fears or expectations that there will be a general election before another session of parliament can be eliminated. I believe the feeling that the redistribution bill will need to be carried into legislative effect before another session of parliament has been allayed.

If there are those who are in great haste to see this redistribution put into effect before the next regular session of parliament, then, as the leader of the opposition pointed out today, the method is ready. Let us provide now for the appointment of the commission to take this task in hand, and they can derive whatever value—and very doubtful it will be indeed—there may be from the report of the committee of this house on redistribution. Then when this parliament meets in the fall, still in the present session, the commission's report could be laid before the house. The house could deal with it before the prorogation of the present session.

My final word, sir, is this. What my leader had to say this morning about preserving public respect for parliament as an institution is entitled, it seems to me, to very weighty consideration by members in all parts of this house. The strength of our parliamentary institutions in this country is no greater than the respect people have for those who serve them in this place. If the impression continues to be borne in upon the minds of the public that parliament goes about the task

of redistribution simply by sharpening political axes and practising not the rules of fair play but the law of the jungle, then, Mr. Speaker, we are going to witness a continued decline in the respect of the public for their parliament. In days like these, when the battle for men's minds is a sharp battle being fought on a long front, let no one of us dare to turn his back upon his responsibility for seeing that the rules which govern the distribution of seats and which, in turn, determine in a large measure the representation of the people within this sovereign House of Commons, are governed by fair play. We should see that the procedure is carried out with justice, and is not calculated simply to pay off political debts or guided by political expediency at the expense of principles.

There are many imperfections, sir, in the way our parliamentary institutions function. We are all conscious of them, I think. Perhaps we in the opposition are more conscious of them than are those who sit to your right, Mr. Speaker, because we see more of the imperfections. But this is a human institution. Can hon. members leave the public any longer with the impression that the redistribution of seats in this house is determined simply by political expediency and the arbitrary exercise by the majority in these committees of the rights which they happen for the time being to possess as majorities? Times like these, Mr. Speaker, are much too serious for us to be any longer parties to the creation of an impression like that in the minds of the public.

In what I have had to say, sir, I hope I have been not unfair to people in different political parties. There is no member of any party who can go into that committee on redistribution and completely put aside party considerations or assume the role of objectivity which is rarely evidenced in this house or in our own political courses. We are here representing the people. We are here also as persons who subscribe to a particular party. What I have had to say, Mr. Speaker, by way of criticism of the way in which things are being done is not only criticism of the way in which the present majority in this house exercises its rights as a majority in the committee and the subcommittees, but is directed at a system where majorities, if the system continues, are always going to attempt to exercise their powers for the political benefit of the party to which they happen to be attached.

In times like these, Mr. Speaker, that kind of course is not good enough. Therefore I say that while I did not come to this decision quickly or lightly I am satisfied, on the strength of an extremely unhappy and disappointing experience as a member of the committee on redistribution appointed by this house, that the present method can no longer be retained. It is no longer entitled to any respect on the part of the public or of this house. It is at best a piecemeal method. It is not a method that is based upon principle. It is a method that is based largely upon political expediency. I say the time has come to discard this method and at least give a fair trial to another method such as the alternative that has been found to work in an eminently satisfactory way in the United Kingdom and in our sister nations of the commonwealth.

Mr. J. O. Gour (Russell): Mr. Speaker, I did not intend to speak this afternoon on this subject, but in view of what has been said by the hon. member for Eglinton (Mr. Fleming), who has just spoken, I think it is quite fitting for me to say a few words concerning the province of Ontario. As I listened to the hon. member, it sounded to me as though he wanted the committee to be named by himself.

An hon. Member: That is right.

Mr. Gour (Russell): He began to talk about the committee following what his leader, the hon. member for Carleton, had said. He said that it should be a committee composed of some group of people, but that if the government named it, they would not be good people. They must be named by the hon. member. He is to be the judge of who are to be the people on that committee. He said the government have to be careful in naming it. He seems to say that if the government name them, they will be not be good people on that committee because they have been named by the Liberal party or by the government. It sounded to me as though the hon. member were saying that the committee should be named by him, that he was the only one who was capable of doing anything right.

To my hon. friends who are from Ontario may I say this. I know that we are not supposed to discuss the proceedings which took place during meetings of the committee, but I sat with my hon. friends on other committees. I did not belong to the committee on redistribution. I think hon. members will admit that the hon. member for Eglinton takes quite a bit of time in the committee and you are not sure that 100 per cent of what he says is supposed to be said there or has any value. Now he is complaining because we are a majority in all committees. That is not the fault of the members who are the majority in the committees. It

is because the public of Canada want Liberal members; they want to elect us.

Mr. Fleming: That is the way you have gone about the redistribution.

Mr. Gour (Russell): I will come to the redistribution. You will get that, don't worry. The hon. member said that because they are the majority in the committee, the Liberals are taking advantage of the fact and are doing the thing that will best ensure that they will be elected. It is not the redistribution which elected the members, Mr. Speaker; it is the people who elected the members. There is no question about this fact. Canadian people are all intelligent people and they are all independent people. When the time for an election comes they vote for what they believe to be best for themselves and for their country. It is not a question of boundaries, of whether the eighth concession or seventh concession is going to belong to me tomorrow. The people on the seventh concession or on the eighth concession are Canadian people who are just as independent as any others.

I come now to the part where the hon. member said the Liberals were taking advantage of their majority. I think I can prove to him in one second that he is not exactly right. I do not want to say he does not speak the truth, but I will say that his judgment causes him to say that. In my own riding and my neighbouring riding, which began at confederation, are the nicest people that could be found anywhere in Canada; there are none better. There are Scotch, French-speaking, Irish and English; there is a mixture. Those two ridings, in federal elections, 99 per cent of the time elect a Liberal. Now they are represented by two good members; they are French-speaking and good Liberals. Those two ridings are to be lined up; they will be together. If we were to take advantage of the majority, then we would keep those two ridings as they used to be, and as they have been since confederation.

Those two ridings have sent some fine men here who gave of their best to the country. Now, in this redistribution, because of their small population they have been put together. If the Liberals wanted to use their power they would keep those two ridings as they were before. We have not a large number of French-speaking members from Ontario. We have not had enough up to the present time for our population. We will now have one seat less for the Liberals and for French-speaking members. The Liberal majority are so straight that they are trying to give fair play all over this country on every occasion. That is why they decided to combine those two ridings. I sincerely regret that they have combined them, but in order to be straight they have done so. That goes to prove that the Liberals are straight even with their big majority in the committee. They decided it was only straight to do that.

Mr. Speaker: Order.

Mr. Gour (Russell): I have just finished, Mr. Speaker.

Mr. Speaker: Order. If the hon. member is discussing the various ridings in detail, I have ruled that it should not be done.

Mr. Gour (Russell): I will not do it any more; I have finished. I am of the belief that there is no one better able to do this job than a committee of the members of the House of Commons who have been elected by the people. I do not believe anyone is better able to represent the public than the members who are elected to this house. That is what we call democracy. The party that has the largest group in the house is entitled to the largest group on the committee. I believe the right way to do this job is to have it handled by a committee composed of the members of this house, and I support the bill.

Mr. George H. Hees (Broadview): I agree a hundred per cent with my leader in what he said this morning about the desirability of having redistribution carried out by an independent commission. The idea, as he pointed out, was brought forward a long time ago by the late Mr. King. It was brought up again later by the hon. member for Quebec South (Mr. Power). To my mind it is fairness itself, when you consider that the individual judges may have had political experience; they may have been members of this House of Commons. They would bring in a redistribution bill which I believe would be much fairer than the redistribution bill which is to be presented to this house for our consideration.

In advocating this method of doing things I am looking to the future as well as the present, because I know that when the next redistribution comes up the Conservative party will have been in power for nearly ten years. I would hate to see us faced with the same temptations the Liberal party have succumbed to at the present time. To my mind the setting up of an independent commission would remove any possibility of or opportunity for political vindictiveness or reprisal by the party in power. It is very regrettable that there are a number of instances of what I think must be called political vindictiveness in the present bill.

During the past winter the gross negligence which the government displayed in

mishandling the foot-and-mouth disease, the negligence which has already cost this country many millions of dollars, was brought to light largely by three very prominent members of parliament, the hon. member for Lake Centre (Mr. Diefenbaker), the hon. member for Souris (Mr. Ross) and the hon. member for Brant-Wentworth (Mr. Charlton). By the gerrymandering which is being done in their ridings at the present time it is very obvious to every casual bystander that the government has simply decided that they must be taught a lesson for what they have done, and to show other hon. members what will befall if at any time in the future they have the audacity to speak up against the large government majority.

I should like very much to deal with what has happened in those ridings, but unfortunately the ruling of Mr. Speaker makes it impossible to do so. Therefore I shall just have to leave the details. I think the riding of the hon. member for Lake Centre has been simply mutilated.

The Acting Speaker (Mr. Robinson): Order. That is exactly the point on which the Speaker previously ruled.

Mr. Ward: The riding is still there.

Mr. Fleming: The name is there, that is all.

Mr. Hees: And the treatment received by the other two members, the hon. member for Souris and the hon. member for Brant-Wentworth, is of a similar nature. I shall take great pleasure in dealing with it when this bill comes up for further study on Monday.

An hon. Member: What about Swift Current?

Mr. Hees: It seems a shame that at this time we cannot deal with the details of the gerrymandering which has been going on in so many instances in this redistribution bill. I think the public will be very interested to see the depths to which the party in power has gone in order to eliminate, or try to eliminate, those who have caused them embarrassment in the past. I believe this kind of political vindictiveness is just the kind of thing that must be stamped out, and I believe it can be stamped out by the appointment of an independent commission. I believe that kind of thing must be stamped out if our democratic political system is to continue successfully.

I say in conclusion, Mr. Speaker—and I shall have a lot more to say on this when we reach the point where we can do justice to the subject—I do hope the government will see fit to follow the advice of the very able and experienced member from Quebec South, of their late revered leader, the late Mr. King, and of the leader of the opposition (Mr. Drew) who so ably expressed his views this morning. I hope those views will be accepted and that very soon we shall see a commission of this kind in operation.

Mr. J. A. Ross (Souris): It has been my privilege, if one can count it such, to serve on the redistribution committee on two different occasions, in 1947 and on the present committee. With respect to the present committee, I am very sorry the report has not been tabled so we could have had a more thorough discussion on the practical workings of the committee. I am sure it would be very enlightening to the country as a whole. The public in general have very little knowledge as to how the redistribution committee actually does function and do its work.

I want to support wholeheartedly the proposition made by my leader this morning. I will admit that at one time I myself, when I was rather green in this house, thought members of parliament should do this sort of job; but as I have studied history and have had experience on these committees I have become quite convinced that a commission of judges as suggested would do a much better job than any members of parliament can do on a political basis, no matter what party may be in power.

Reference was made by the hon. member for Battle River (Mr. Fair) to the fact that he had been a member of this committee on several occasions, and that he thought it was on a non-political basis. Well, people being what they are, they do not operate on a non-political basis; and of all committees, a committee on redistribution does not operate on a non-political basis. At least that has been my experience.

Mr. Wylie: Where does the hon. member get that idea?

Mr. Ross (Souris): Your colleague suggested it, and I say it does not happen.

Mr. Sinnott: They operate on a fair basis.

Mr. Ross (Souris): I have also seen some of the operations carried on by the hon. member for Springfield behind the curtains. He was not a member of the committee. If the public would just realize how these things operate, the present committee, the second to last one—

Mr. Sinnott: You are out of order in what you are saying now.

Mr. Ross (Souris): No, I am not.

Mr. Sinnott: It is out of order.

Mr. Hees: You are fair game at any time.

Mr. Ross (Souris): The general committee is divided into subcommittees for different provinces, and they have their subcommittee meetings. Some have very few; others have a great number. They have their differences in those subcommittees. Generally they are controlled by the majority of members supporting the government. They report back to their respective caucuses which, in the two experiences I have had, have been Liberal caucuses of those provinces. I have gathered from one source that they have their difficulties in the Liberal caucuses. A lot of jockeying goes on there, too.

Mr. Sinnott: The public send us here.

Mr. Ross (Souris): We are sent here to legislate for our people. That is the point I am trying to make. From my experience as a member of this house, I have somewhat changed my mind on how we should legislate in the matter of redistribution and the allocation of seats. When one thinks that in Great Britain, Australia, New Zealand, South Africa and other places they have commissions, he must realize that it speaks well for their progressive thought and attitude.

We do not have any guiding principle that operates through all provinces in this dominion, as applied to our committee on redistribution. I know the government and those who support it maintain that there should be no reference to provinces in connection with this matter of handling redistribution; yet we see that the committee is divided into provincial subcommittees. My experience has been that scarcely any of the provincial subcommittees operate on the same basis or the same principle. Each committee has its own ideas. I could refer to a province in the maritimes where I believe changes should be made. Yet I am satisfied that when we receive their schedules we will see that that province will report on exactly the same basis that existed before the committee was set up.

One could find some glaring examples of disparity which should not exist. They should be rectified. Then, on the other hand, other provinces have tried to strike some sort of average. The hon. member for Winnipeg North Centre (Mr. Knowles) will be arguing, I have no doubt, about what he thinks is the great disparity between urban and rural ridings—

Mr. Knowles: Hear, hear.

Mr. Ross (Souris): —in a certain province. I believe the same principle does not operate in any two of the provinces. The hon. member will find the same thing in many provinces of this country with small rural ridings, with probably no more than 30,000 people. That will be seen in the schedule when the report is made. Yet it will be seen that there are other ridings with 90,000.

That is far from what it should be. We have heard a supporter of the government talking about what gerrymandering is, and he contended that there could not be gerrymandering unless there was a combination of the constituencies of two members in the same party. His statement was that when that condition existed there would be genuine gerrymandering. Well, again without referring to what happened in the committee, my guess is you will see exactly that sort of thing in respect of certain provinces when the schedules are brought in. But that is not brought about as the result of any general principle, either, because in the same province where this has happened you may see a riding with a small population, and then in contrast you will see another riding—likely an opposition riding—wiped out entirely.

An hon. Member: Order.

Mr. Ross (Souris): I said you may. I am not saying what has happened in committee. I am guessing at what is going to be proposed, and giving an example of what has been proposed in the past.

Mr. Harkness: An educated estimate.

Mr. Ross (Souris): Alongside a smaller riding you will see another riding in a certain province, with a large rural population—again, in opposition—wiped out entirely. In other words, there are the two opposite extremes; no principle is being supported at all. I suppose it would be the same with any party in power; there would be a lot of political jockeying taking place. I think when the schedules are presented for a certain province, with respect to which instructions were issued from a certain party convention about the date of the opening of this session of parliament as to what must take place following the decennial census of that province, when redistribution would be brought about—

Mr. Fleming: Was that Manitoba?

Mr. Ross (Souris): It will be queer indeed if, when the schedules come in, they do not follow the instructions given by the brass hats or the brass tops of that party in that certain province.

That is the sort of thing we have to contend with under this system. I presume it has been carried on in the same way in some past redistributions. Because of those things, surely we should learn from experience and

not continue to carry on in this way. Therefore I certainly am wholeheartedly in support of the proposition put forward by my leader today. It has been suggested before, and I hope the house will take this matter into serious consideration before hon. members are called upon to cast their votes in respect of this very important matter, which is of the most importance to the people of this country. For those reasons I shall support the amendment.

Mr. D. S. Harkness (Calgary East): Mr. Speaker, I think the necessity for a better means of redistribution than has existed in the past was amply shown by the proceedings of the past two or three months in the main committee on redistribution and in the subcommittees which have been working on this subject. I must say I speak from unfortunate personal experience when I say that.

I was a member of the committee this year for the first time, and I now realize how fortunate I was in not having been a member of the committee when the last redistribution took place. I think the present system can only be described as a mess. There was one remark by a Liberal member of the redistribution committee with which I think all members of the committee would heartily agree. He said, "Thank God this will not have to take place again for another ten years." I believe all hon. members who served on the committee were sick of the way the proceedings were carried out, and of the unsatisfactory results of trying to carry out a redistribution in this way.

On the other hand, the manner in which a commission such as has been suggested by the leader of the opposition (Mr. Drew) could operate was well illustrated by the work of the subcommittee which dealt with the Yukon-Mackenzie district. In other words that was an independent inquiry in which political considerations as well as personal desires, and a consideration of what might be to the advantage of an individual member, were absent. That procedure is bound to be more satisfactory than the present system of attempting to carry out a redistribution in which everyone is jockeying for position. Those factors—the absence of political considerations and personal desires—were absent so far as the subcommittee which dealt with the Yukon-Mackenzie district was concerned. No one on the subcommittee either represented or expected to represent either the Yukon or the Mackenzie area. There was no particular advantage to any party, no matter what was done. We realize that only one or two seats were involved, in any event. Circumstances were not such that anything in the nature of gerrymandering could be carried out.

[Mr. Ross (Souris).]

In addition to that, the chief electoral officer was present at the committee meetings and gave expert advice as to the geography of the area and the problems involved in splitting it up, as well as in taking a vote. As a result of the absence of these factors there was a perfectly impartial discussion of the problem of redistribution in the Yukon-Mackenzie area, with the result that decisions were reached fairly and unanimously. I might add that to a large extent they were reached on the advice of the chief electoral officer. I would say that particular experience with redistribution might very well be taken to indicate how satisfactorily an independent commission could operate.

The Acting Speaker (Mr. Robinson): Order. I would draw the hon. member's attention to the fact that at this time he should not discuss the outline of any particular riding, but rather the principle of the bill before the house.

Mr. Harkness: I had not mentioned the outline of the riding, but was merely indicating how the work of that subcommittee was carried out so satisfactorily. I suggest it was a good example of how an independent commission might operate in this connection.

Being a member of the committee on redistribution this year was a very disappointing experience. Any idea a person might have had that redistribution would be carried out on a fair and impartial basis was dissipated very early in proceedings. It did not take long to get rid of that idea, if anyone had it at the beginning. The only principle that was apparent to me as far as redistribution went was the principle of political advantage. The various principles which were talked about were all contravened in one province or another or in one constituency or another. The principle stated to be followed in one particular province would quite often be the exact opposite to that which was being followed in the adjoining province. As has been indicated before, there should be some fixed and definite principle according to which redistribution will be carried out. These were outlined a few minutes ago by the hon. member for Eglinton (Mr. Fleming), and I shall mention just one.

I think the basic principle of representation is supposed to be and should be representation by population. That principle was fought for a hundred years ago and was thought to be firmly established in this country. Generally speaking this principle has been followed as far as the number of representatives in each province is concerned, though even in that regard there have been departures.

For example, in the case of the maritime provinces the special provision is that their representation shall not fall below the number of senators. This applies particularly to Prince Edward Island. I am not complaining about that, but it is a departure from the general principle. Then we have another departure in connection with Saskatchewan. Again I am not complaining particularly, but if we keep on departing from this general principle of representation we are soon going to have a situation where there will be no principle left in that regard.

It was away back in 1911, I think, that the exception as far as the maritimes were concerned, in favour of Prince Edward Island, was brought in. This year we have the exception in favour of Saskatchewan. If the present government has anything to do with the next redistribution and sees political advantage in it, I have no doubt another exception will be made. The first thing we know the whole principle will be gone.

When we come to the distribution of seats within the provinces we find that the principle of representation by population is honoured only in the breach. There just does not seem to be any regard paid to it in many cases. I think we should have some sort of provision in our electoral law, such as they have in Australia, where the size of a constituency cannot vary from the figure set—we will say it is 50,000 population—more than one-fifth up or down. I do not say that our provision should be one-fifth, but if we had a provision like that in this country we would avoid the extreme discrepancies which exist at the present time.

For example, in New Brunswick there is one constituency having just over 25,000 population and right next to it is another constituency with just over 84,000 population, or more than three and a half times as many people. The present redistribution has left them sitting exactly as they were; no change is to be made. Then when you come to deal with another province you hear the cry that a particular constituency cannot be left as it is because the population is too small. In other words what I said a short time ago appears to be the case, that the principle argued in the case of one province is thrown out the window when it comes to the next. The only principle left, the only principle followed is the one I mentioned, that of political expediency.

I doubt if the public of Canada have any apprehension of the way in which this redistribution has been carried on. As far as I was able to make out, the procedure in most of the subcommittees was to have a certain amount of discussion and then the Liberal members of the subcommittee would bring in a plan prepared by a Liberal caucus or by the Liberal headquarters of the province concerned and the members of the subcommittee were practically told, "There it is". Following that there would be a long or short discussion. In the case of some subcommittees the discussion went on for weeks; in the case of other subcommittees it lasted only one or two meetings. But it did not matter whether there was a long or short discussion, it ended always with: "There is the plan".

Ordinarily the result was a deadlock of opposition members versus Liberal members. Then the chairman of the main committee, the minister, or the deputy chairman, the hon. member for St. Boniface, was brought in to act as chairman of the subcommittee and break the tie, as it were. That is when the axe fell. As far as I know the vote was always in favour of what the Liberal majority of the subcommittee had laid down as the plan. As far as I can find out there was no disposition to make what might be called reasonable concessions.

Then the report of the subcommittee was presented to the main committee. In the main committee opposition members would move amendments to carry out the proposals they had made in the subcommittee. But the result was always the same. It did not matter what good arguments were presented, the decision of the Liberal members was always the same. As I have said, the arguments they used were the exact opposite of the ones that had been used in the subcommittee which had just reported, but the majority of the members of the main committee coming from other provinces would pay no attention to the arguments because they knew the way they were going to vote before they came into the committee. They may have been using exactly the same argument the opposition members used as far as another province was concerned, but they would just stand up and vote as a phalanx in favour of what the Liberal members from that particular province recommended.

In other words the thing did not work in a democratic fashion. I do not think there is any question but that the present procedure is not fair. I do not believe the people of Canada relish having this important matter of redistribution dealt with in the way it has been dealt with and is being dealt with. I think the people of Canada would welcome the setting up of a commission such as is asked for in the motion moved by the leader of the opposition (Mr. Drew). I believe the

government would be much better off under such a system from the point of view of their own survival, rather than to have a gerrymander of the country in the way that is being done. In the long run activities along that line are not going to do any good to the party which carries them out.

Mr. Jean François Pouliot (Temiscouata): Mr. Speaker, I have been a political survivor for 21 years and I believe the suggestion of the leader of the opposition (Mr. Drew) is wrong. As members of parliament we have to assume our responsibility. We have been told often enough that we have to make a decision. I have looked at the reports of the redistribution committee, and I have found that the decisions reached by the committee have been fair. Unfortunately it is impossible to please everybody, but the members of the committee have done their best to be just as fair as humanly possible.

Therefore, sir, I will vote against the amendment of the leader of the opposition. It is untimely and uncalled for.

Mr. G. M. Murray (Cariboo): As one of the members from British Columbia I would be doing myself a great injury to sit here and listen to the condemnation which has been offered for the last hour or so of those who tried to work out a sane and sensible arrangement of the seats in British Columbia, for instance. The committee for British Columbia worked conscientiously, and consultations were held with all interested parties. The proposed redistribution as outlined by that committee is fair and honest, and should have the approval and in the main does have the approval of all parties. There was no effort whatsoever to take any advantage by running boundary lines in such a way as to include this group or that group. I think it is clear that there was a unanimous opinion with regard to Yukon-Mackenzie River—

The Acting Speaker (Mr. Robinson): Order. May I ask the hon. member not to refer to the ridings, as they have not yet appeared before us in the schedules of the bill.

Mr. Murray (Cariboo): Mr. Speaker, it is absolutely unfair to say there was any subterfuge, any effort, any trick or anything that was not in the general interest of the province of British Columbia. I can only speak for myself, but I am sure I am expressing the opinion of my colleagues when I say the task was tackled in a way which would be creditable to the province of British Columbia and beneficial to all Canada.

The fact that we were creating four new ridings within the province of British Columbia gave us a rather difficult position, in that certain boundaries had to be extended. I think it was to the credit of everyone that they worked conscientiously to carry out the task which was entrusted to them.

Mr. J. W. Murphy (Lambton West): Mr. Speaker, I would like to take part in this debate on a non-political basis, as usual.

Mr. Gardiner: Hear, hear.

Mr. Murphy: I happened to be a member of the Ontario subcommittee, like Your Honour, and I am going to be quite frank. From the experience I had during this last month I say to you, Mr. Speaker, that if I had the opportunity of being offered that job tomorrow I would tell my whip in not very parliamentary language where he might reside. It would be a place a good deal hotter than Ottawa will be in the next two weeks if we are going to finish this debate.

When I hear the hon. member for Temiscouata (Mr. Pouliot) say that he thought the committees were as fair as humanly possible, I must tell him without any hesitation that there was not very much humanity exhibited so far as we in Ontario were concerned. I heard the hon. member who just preceded me say that as far as British Columbia was concerned the task was tackled in a creditable manner. I only wish that statement would apply to the other provinces in this dominion. Sitting on the committee was a disillusionment for me as I think it was to most of us, because it was not our experience to have been on a committee of that sort before. I have always considered it an honour to be on a committee and to do what I possibly could on that particular committee. As far as the opposition members of this committee were concerned we might as well have been a bunch of wooden men. Our representations did not mean one thing, and I can say that with all sincerity. What I do not like about the set-up is the unfairness of it. Let no one in this house think for one moment that decisions were reached on an impartial basis; they were all reached on a partial basis.

The Acting Speaker (Mr. Robinson): Order. May I remind the hon. member that we are discussing Bill No. 393, an act to readjust the representation in the House of Commons. I do not think remarks such as those which have just been made with regard to the workings of a committee are in order at this time.

Mr. Murphy: Mr. Speaker, I simply wish to say that from my experience on that committee there must be some other way of arriving at a decent or sensible method of having redistribution effected, and most certainly it could not be worse than what

we are enjoying or having to put up with now. That is my argument precisely, without prolonging the debate; because we can play some of these forty-minute records next week when we will not be restricted as we are today.

Under the system proposed by my leader we would not have members of parliament having maps printed in various papers from coast to coast showing what the ridings are going to be. Nor would we have statements in the press by members of the committee, or statements in the committee by the chairman to the effect that no plans were prepared thus far; and yet on the same day the statement was made out came a press report in an Ottawa paper giving details of the three ridings in Ottawa. Under a proper system we would not have that, and that is what I am complaining about.

The Acting Speaker (Mr. Robinson): Order. Once again I must draw the attention of the hon. member to the fact that he is referring to work which was done in the committee and to particular ridings which are not before us at this time.

Mr. Murphy: I do not intend to mention ridings, Mr. Speaker, and I hope to abide by your decision, with all due respect; but I am saying the principles we must be guided by under the present method are entirely unfair. I used an illustration to show that some other method must be devised in order that the people of this country may be properly represented, not the method that exists at the present time.

There are political considerations under the present system, and you cannot dispute that. That was pointed out by the leader of the opposition this morning, and he referred even to a former leader of our own party. I think it has been emphasized particularly by members of my own party today that if we were in power and had the opportunity of appointing a committee we would probably do pretty much the same as the method that is being adopted today, and that is why I say we must get away from the present method. I can speak from some experience and I am frank in saying that it is ridiculous.

I would suggest, Mr. Speaker, without talking at any great length, that in connection with setting up a commission we have in this country a very large number of highly respected organizations. I refer, for instance, to the farm federations. I am not one of those who would say we should have five, six, or seven judges on the commission, because after all most of those judges, in spite of some refutations, have had some political affiliation. With all due respect to them and to their integrity, I believe there are other large organizations in this country from which we could select the members of a commission. Regardless of what party was in power, I would not like the idea of having the appointment of members of the committee made without due regard to classification.

For that reason I am going to make this suggestion. We will suppose there would be five members on that commission. I have not had the opportunity of giving the subject a great deal of thought, but one member could be selected from the farm federations. We have a Canadian Chamber of Commerce, so let it select a man. It is also a non-political organization. There is a dominion-wide organization known as the mayors and reeves association. Let them select a member for the commission. Then we have the manufacturers' association, which represents vital interests and would naturally be non-political. We have the labour organizations, which I think affect every riding in the Dominion of Canada. At least five men could be drawn from these organizations, and then a distinguished jurist could act as chairman.

In fairness to the members of this house and the people of this country, this suggestion should be accepted. I hope that we, as members of the house, never again have to go through this ordeal, the results of which will be unfair when it is completed.

Mr. J. H. Rooney (St. Paul's): I did not intend to take part in this debate on redistribution, but after sitting here listening to all this talk from the opposition I may say that it reminds me very much of the Hitler regime; the larger the lie the more people will believe it.

Some hon. Members: Order.

Mr. Rooney: I should like to say—

Some hon. Members: Sit down.

Mr. Rooney: With reference to Toronto, I should like to say that the hon. member for Eglinton (Mr. Fleming) was the only member from that city on the redistribution committee. We did not have a Liberal representative, and we have never made any complaints.

The Acting Speaker (Mr. Robinson): Order. May I remind the hon. member of the previous ruling that references to the committee are not in order in this debate.

Mr. Rooney: I shall not refer to that matter again, Mr. Speaker. I would say that the

hon. member for Eglinton has not been disturbed in anything he has wished to do in Toronto and the Yorks.

Mr. Fleming: I defended your interests. I defended the interests of all the Liberal members from Toronto.

Mr. Hees: Donald for a square deal.

Mr. J. M. Macdonnell (Greenwood): I should like to make a few comments on this matter. In the first place I am glad that this morning my leader was quite frank in referring to the cynical remark of a former leader of this party, when he said he was not suggesting the present method was unsatisfactory because it would be used by one party in a way that another party would scorn to do. He made no pretence of that kind. He dealt with the thing on what he considered to be its merits. He quoted at length from a former Liberal prime minister of this country.

My own feeling is that the events of the last few weeks have pointed up the difficulties of this method in a way that I, for one, had not fully realized before. I have to confess that within the last few weeks I argued against the appointment of a commission. I said that the difficulties of creating a commission and giving it instruction would be almost insuperable. I made that argument, and I am not denying that I think the difficulties will be very great. The only reason I am voting for this amendment—I hope the member for Eglinton (Mr. Fleming) will not rise to a point of privilege when I say this—is that I have been through somewhat the same mental processes which he described himself as going through. I have felt, from all I could see of the operations of the present system, that it was so unsatisfactory that we should try something else.

It is not as if something else was not being tried elsewhere. Apparently it has been tried elsewhere, and with considerable success. I was not a member of the committee, which in one way is a great disadvantage and in another way is an advantage, because while I will not go the length of saying I speak non-politically—I do not know that any man is ever sure when he is speaking non-politically—nevertheless I have not had the overwhelmingly sense of frustration which has been experienced by some of the members of the committee.

The hon. member for Eglinton (Mr. Fleming) pointed out, very fairly I thought, that we in this parliament work on the basis that there is a government majority on committees; that is the practice. I do not see how we can complain about it; nevertheless it obviously does produce certain results.

[Mr. Rooney.]

Here we have a situation, whether we like it or not, where we really have 262 members of parliament each with a vested interest, or hoping to have a vested interest, in a constituency. I think the difficulty of dealing with the thing impartially under such conditions becomes almost insuperable.

I do not know how they manage it in England, but apparently there is some tradition they follow which enables them to have committees which are not government-controlled. In the reports of the British parliament for 1948, during a debate on the representation bill, I find that Mr. Churchill referred to an incident which happened in 1944. I read it only to point out the difference, and to show that if that sort of thing could happen here we might not be facing the difficulty we are facing today. It does not happen here, however, and we might as well be honest with ourselves and say that it will not happen here. This is what he says referring to a committee discussing representation in 1944:

> Although the Conservatives at that time had a majority of 150 over all parties in this house, the representation which we agreed to on the Speaker's conference—

By the way, Mr. Speaker, apparently in Britain the Speaker presides over these conferences.

> —was in a very different proportion. There were 15 Conservatives and 11 Socialists out of a total of 32, and when the Liberals and the few Independents were added, the Conservatives did not even have a majority on the conference, although they had a majority in the house of 150 over all parties. It was not dealt with entirely on the basis of House of Commons majorities.

I say that if we were prepared to do that sort of thing, then this situation might not arise. But we do not do it, and I think we should be honest with ourselves and admit that we do not do it. There is no sign that we will do it.

I feel that in the last few weeks, even since we failed to approve the motion of June 12, the situation has changed. It has, so to speak, sharpened. I have not been on the committee but, I am sure like every other hon. member, I have had indications every day of the difficulties which were being met, the sense of frustration and, what was worst of all, the feeling that in the end there was not going to be anything which could commend itself as fair. It would be just a bunch of bits and pieces. It would be the result of horse trading. When I say that I do not wish to suggest that this is a slur on anyone. As I said, we have 262 people with vested interests, and it is horse trading.

Again I revert to the suggestion of a commission. It would be extremely difficult. We

cannot just give them the population of Canada and ask them to divide it by 262 because, as I say, we recognize that there are other bases. I remember years ago reading a speech by Sir Wilfrid Laurier in which he argued that we had to have regard not only to the extent of the territory—which certainly has a practical bearing—but also that the existing political associations, like counties and so on, should be respected in so far as it is practically possible. Therefore I am not for one moment suggesting that this matter of redistribution will be an easy thing. I am only putting the suggestion forward, as the hon. member for Eglinton said, because I feel that anything will be better than what we are doing now; or at any rate I should like to try it to see if it is not better.

In passing I might say that I hope we shall not have to have recourse to the judges. Mr. Hackett, who sat in the last parliament, constantly harped on that point and I always thought he was right. He asserted that the judges should be kept as far as possible out of anything which might have a political aspect because such an association would tend to lessen that remoteness and impartiality which we so much desire them not only to have but to appear to have.

This point also occurs to me, Mr. Speaker. There are some men who are facing the elimination, or virtual elimination, of their constituencies. I myself had some small experience of that kind of thing five years ago, and I can understand what it means to a man who has represented a constituency for perhaps three or four parliaments to find that it is disappearing under his feet. Situations no doubt will arise where that has to take place. If it takes place as the result of a recommendation of a commission which the member feels has tried to look at the thing fairly, that is one thing; and he will just have to grin and bear it. But if in fact he has no such feeling; if in fact he looks about and sees that his constituency is eliminated whereas others have been left which look almost like pocket boroughs and which have populations less than his own, it seems to me it is utterly impossible for him to feel that he has been treated in a fair manner. I therefore come back, Mr. Speaker, and say that it seems to me the present situation is so unsatisfactory, so incapable of achieving a measure of fairness which will be respected by all concerned, that we should no longer continue with but should rather seek another method and at least give it a fair trial.

Mr. J. G. Diefenbaker (Lake Centre): Mr. Speaker, the extent of the argument that might be advanced on an occasion like this has been limited by the ruling made by the Speaker; and all I propose to do on this occasion is deal in some detail with the recommendations made by the leader of the opposition with reference to the setting up of a commission to determine this vexed question of redistribution that comes to the House of Commons for decision every ten years.

On this occasion I am not going into any detail in reference to any constituency. I am going to confine myself entirely to a discussion of the merits of and the need for a commission to determine this matter. I shall also deal in particular with some of those countries which have adopted this system and have found it to be both efficacious and non-political.

I commence by reading the amendment, which is as follows:

> . . . that it be resolved that in the opinion of this house consideration should be given to the enactment of a measure to provide for the appointment of a commission to effect the redistribution of electoral ridings in accordance with the census of 1951 and pursuant to the provisions of the British North America Acts, 1867 to 1952 inclusive; such commission to be instructed to make its report to this session of parliament upon the resumption of its sitting.

As the leader of the opposition pointed out, there is no difficulty in the way of adopting this suggestion at this time, for the reason that the Prime Minister (Mr. St. Laurent) has introduced, and this house has passed, a motion to the effect that the sittings of the house will be adjourned until November. In anything the Prime Minister said in the course of his remarks there was certainly no indication of the possibility, much less the probability, of an election being called within the next three or four months. Indeed, all editorial writers have been unanimous to date in their opinion that the meaning of the Prime Minister's statement yesterday was that no election is in the offing and that, in any event, there would be none before the months following the coronation. The fact that the Prime Minister moved that motion gives added weight and importance to the proposition advanced by the leader of the opposition this morning, when he set forth the benefits of removing once and for all from the cockpit of partisanship the determination of a matter which is not directly the concern of members of parliament but is particularly that of the Canadian people.

I commence by saying that I am not one of those who believe that anyone has rights to any constituency. I believe that the changing events, the movements of population and the alteration in economic development all require a change from time to time in the

determination of the boundaries of constituencies. We in Saskatchewan—and this applies also to Manitoba—find ourselves in a different position from that of other provinces by reason of the amendment to the British North America Act, which was passed, by virtue of which Saskatchewan, instead of losing five seats, will lose three. In other words, in Saskatchewan and in Manitoba the basis of population will be different in the determination of constituency lines from that in any other provinces in the dominion affected directly by population considerations.

I know one can read the story of parliament and its actions through the years with regard to redistribution. Every ten years there is a recurring and ever-stronger feeling of resentment against the use, by abuse, of the power given to the House of Commons to determine the areas and the territorial limits of constituencies. I have read the debates through the years, and in each ten-year period the feeling has become stronger and stronger. I go back no further than 1932; and I do not believe any party—and that applies as well to my hon. friends of the C.C.F.—can wrap itself in the garb of political piety when it comes to looking at the question of redistribution. For in the province of Saskatchewan there was a redistribution within the last year or a year and a half that in several constituencies violated the principle of fairness that should have been in effect. I say that not by way of criticism but simply to accentuate my view that the time has come for parliament to determine whether or not we shall forever retain in parliament the power to determine boundaries.

The only reason we would want to retain it would be the political advantage of the party with the majority at the time. After all, the setting up of a commission will not remove from parliament the right and duty to determine the question once and for all. But, Mr. Speaker, the experience in Britain and elsewhere has been that when an independent commission speaks no parliament anywhere within this commonwealth has ever dared to alter the boundary lines of any constituency in a way which would have the result of liquidating a political opponent. In other words the commission system would provide a scientific means whereby redistribution would be determined on the only basis on which it should be determined, namely the question of population, subject of course in every case to these peculiar exigencies that occur in various constituencies where, by reason of the industrialization, the urban nature of a constituency, the rural nature of another, there has been recognized at all times the principle that population shall not be equal in all constituencies.

Having said that, I am going to make this one reference to the subcommittee for the province of Saskatchewan. It is going to be entirely objective, because I am not going to discuss in any way any of the problems peculiar to Saskatchewan. I point out this. The subcommittee was set up some five or six weeks ago.

The Acting Speaker (Mr. Robinson): Order. The hon. member was in the house, I think, when a previous ruling was made in regard to discussion of the committee at this time. We are now on the principle of the bill.

Mr. Diefenbaker: With the greatest deference, I am presenting arguments why the commission form should be set up. If I cannot point out the situation as I found it, I am in the position of being unable to advance arguments why a commission would be preferable to the present haphazard system that is a denial of justice in so many constituencies. I would also point out this. When the hon. member for Russell (Mr. Gour) and the hon. member for Cariboo (Mr. Murray) were speaking they both spoke in the highest and most unprejudicially commendable terms of the subcommittees on which they served. All I want to do, sir, is to follow the same constructive lead they gave during the course of their remarks.

Mr. Cote (Verdun-La Salle): They were called to order.

Mr. Diefenbaker: Mr. Speaker, you will make the declaration whether I am out of order. There are not eight or nine Speakers here.

Mr. Gardiner: He has already told you that.

Mr. Diefenbaker: I am simply pointing out that the commission form is infinitely better than any committee would be which for six weeks had no sittings, and which in all its sittings met for one hour and five minutes and produced a map, a plan for the province of Saskatchewan, with no discussion whatever regarding lines or territorial limitations.

Mr. Garson: On a point of order, I would submit that the hon. member for Lake Centre should submit to the rules of the house in the same way as any other member.

Mr. Diefenbaker: Mr. Speaker—

Mr. Gardiner: On a question of privilege, I would call attention to the fact that the statement made is not correct, there were meetings. There was a meeting of the committee at which the hon. gentleman was

present and at which they decided to postpone the meetings for three weeks.

The Acting Speaker (Mr. Robinson): Order. I must ask the hon. member for Lake Centre to adhere to the rules of the debate. We are discussing the principle of Bill No. 393, an act to readjust the representation in the House of Commons, and more particularly the amendment to the motion for second reading, moved by the leader of the opposition, for the appointment of a commission. I must ask the hon. member to confine his remarks to the principle as set forth.

Mr. Diefenbaker: All right, Mr. Speaker. Then may I say this, sir, that as a hypothetical case a commission is preferable to a committee of parliament prejudged and prejudiced in its decision. Now, sir, having said that—

Mr. Dewar: The hon. gentleman has just used the term "prejudged". I would say that I handed him a blank sheet and asked him to draw his own map, and to date he has not done anything.

Some hon. Members: Sit down.

The Acting Speaker (Mr. Robinson): As I apprehend it, the hon. member was stating a hypothetical case.

Mr. Diefenbaker: What surprises me is that the hon. member for Qu'Appelle should have been so quick to grasp a hypothetical case. May I now leave the hypothetical case and deal with some of the suggestions made by a committee of parliament in 1939. As my leader said today, the former prime minister of Canada on more than one occasion gave his highest approbation to the idea that for the preservation of our democratic system a commission be set up unpolitical, unprejudiced and unprejudged in so far as its membership is concerned. The last occasion on which the then prime minister dealt with this very matter, as I remember it, was in 1947, at which time he went at length into the reasons he was in favour of a commission system. I do not think the leader of the opposition dealt with the then prime minister's remarks, and I shall therefore place them on *Hansard*.

Mr. Mackenzie King: What I was reading from at the moment was the statement I made in 1933. I was going to go on to say that I agreed with my hon. friend from Lake Centre that we have an excellent precedent in the act which was passed by the United Kingdom in 1944. But what I was quoting was what I had said in 1933. The British act was enacted subsequently. I myself would have welcomed this House of Commons adopting such a measure at this session, but this House of Commons did not share my view, and I am not a dictator in this House of Commons. I made that very clear at the time. I spoke to my own following both in the government and in this house.

Then he went on to set out in detail the various statements he had made, and in particular his suggestion on February 3, 1947, of a commission composed of judges. At that time he made this statement:

I believe I have covered all that I think it desirable to say at present, beyond giving my hon. friend an assurance that the redistribution measure will be brought in at an early date in this session. I still hold the view which I expressed before. I personally would prefer a commission of judges to make the redistribution of seats in this house, but I do not believe that the majority of hon. members take that view, and in that particular I am prepared to accept the will of the majority.

Then on that occasion in 1947 he used these significant words, which he had repeated on previous occasions. Let me say that had it not been for the advent of war in 1939 Mr. Mackenzie King would have had introduced in the House of Commons a draft bill which had been prepared and which was available for presentation in May of 1940; and was intended to be introduced, as I understand it, by the hon. member for Quebec South (Mr. Power).

On that occasion in 1947 he went on to say:

I hope, however, the day will come when the House of Commons of Canada will see the wisdom of allowing its redistribution to be made by some impartial tribunal and not by the members of the house themselves dealing with the matter in committee as it has been dealt with in former years.

And then, as Mr. King often did, he quoted with approval statements he had previously made, with a view to consolidating and reinforcing his argument. He quoted what he had said in 1933, as follows:

My own view, and I have come to it after observing pretty carefully what has been taking place and what has been said in debate in this house as well as in the corridors, is that redistribution should be taken out of the hands of the House of Commons—

I shall not quote further from that, because the leader of the opposition (Mr. Drew) quoted it. During the course of that debate in 1947 I brought to the attention of the house the position in the United Kingdom. I did so because I believed it deserved to be canvassed. I am not by any means wedded to the idea of a judicial tribunal, for I know the argument can be advanced—and I have been one who for years has advanced it—that in any matter that concerns political partisanship, or may even have a suspicion of political partisanship, the judiciary should be kept from it in order that their position may remain as inviolate as it is possible to have it.

But, of course, the question of the type of commission to be set up is not dealt with in

the amendment offered by the leader of the opposition. After all, that is for determination by the government of the day, and ratification by parliament of the stand taken by the cabinet after it has made a decision in this regard.

On that occasion I made reference to the British system, in these words:

I suggest this, and I do so only in passing because the Prime Minister in 1933 indicated that some method must be found whereby fairness will be achieved and the liquidation of political opponents prevented or denied. I suggest consideration of the Redistribution Act of the United Kingdom. It is a matter which might well come up. It cannot come up at this session, but it might be considered.

It will be recalled that in that year the redistribution measure came in within the last two days of the session. Then I continued:

It is entitled the "House of Commons (Redistribution of Seats) Act, 1944". In the United Kingdom the matter of redistribution is under continuous review; a permanent boundary commission has been set up. There are several boundary commissions, one in England and one for the several other parts of the United Kingdom.

At that point the then hon. member for Davenport, who was such an authority on these matters, interrupted by saying, "There are four", following which I continued:

Yes. A report is made to the house from time to time. It is a continuing activity which, of course, would be different from the procedure here in Canada. Provision is made that—and I read from the act—

Then I read from the act to indicate the means whereby, by continuing the activity, the constituency picture within the United Kingdom would be changed, based on transitions in population and the like. I quoted from the act as follows:

A report of a boundary commission under this act showing the constituencies into which they recommend that any area should be divided shall state, as respects each constituency, the name by which they recommend that it should be known, and whether they recommend that it should be a parliamentary county or division of a parliamentary county or a parliamentary borough or division of a parliamentary borough.

Then I went on to point out that in no way would the setting up of a commission be an abdication of the responsibility of parliament, and went on to say:

Then the draft is approved by resolution of each house of parliament. That commission is one which is above partisanship. Parliament still rules; parliament still controls; but parliament would not act unfairly against a political opponent.

Then I referred to the personnel of the commission in the United Kingdom in charge of this responsibility in these words:

The commission for England consists of the chairman, the registrar general, the director general of the ordnance survey and two other members, one appointed by the secretary of state and the other by the minister of health; and no member of the House of Commons or of either house of parliament of Northern Ireland is permitted to act on such committee.

In other words the British found that a judicial commission was not in keeping with the finer traditions of an inviolate, independent judiciary. In Great Britain in 1944 the system I have indicated was set up.

Similar commissions have been set up in other parts of the commonwealth for the determination of the distribution of constituencies. Canada, indeed, is the only one of the self-governing dominions within the British commonwealth that adheres to the present archaic system, which is dangerous in the extreme if applied by an overwhelming and aggressive majority. No other part of the commonwealth adheres to this system.

As the leader of the opposition said this morning, in a world where democracy is challenged changes must inevitably take place. The fact that in the 1860's, 70's, 80's and 90's this system was regarded as a means whereby political opponents could be removed, and the fact that it has continued since, is no reason for maintaining a system that is the very negation of democratic principles, namely the application of equity and fairness within statutory limitations as provided by law.

I am going to read from a report made in 1939, for which I sent out a while ago. This is a report made by a special committee on electoral matters, headed by Mr. C. E. Bothwell, the then member for Swift Current, who was a very distinguished member of the bar and of parliament.

It reads:

Your committee was instructed by order of reference dated March 13, 1939, to study and report on "Methods used to effect a redistribution of electoral districts in Canada and in other countries, and to make suggestions to the house in connection therewith," but regrets that it has been unable to give this order of reference the consideration it merits, owing to the number of meetings necessarily devoted to consideration of suggested amendments to the Dominion Elections Act, 1938, the last of which meetings was held on the second instant.

That report was dated May 10, 1939. The report concludes:

Your committee therefore submits, without further comment, a statement of the methods employed in other countries, and the suggestions made, for the consideration of the house.

I have pointed out already that so effective was the study made by that committee that a bill would have been introduced by the then prime minister, Mr. King, in order to remove this record of partisanship which for too long has been the lot of the House of Commons every ten years, or even oftener in so far as the western provinces are concerned.

I should like to refer for a moment to the various systems in effect in other parts of the commonwealth. I have already given the house a not very detailed but I think sufficient summation to indicate what the plan is in Great Britain. I should lie to refer now to the Australian system which is set out in more detail in the minutes of evidence attached to the report made by Mr. Bothwell to which I alluded a few moments ago. Here is the system followed in Australia:

A distribution commission is set up. Each state returns the number of members of the House of Representatives to which it is entitled on a population basis, but subject to the provision that each original state shall be entitled to be represented by five members.

The representation of each state is determined after each decennial census, and at an intermediate intercensal period five years thereafter, in the following manner—

In each state a commission is set up composed of the surveyor general and the chief electoral officer, with a chairman nominated by the governor general. In making a distribution the commissioners are instructed to give consideration to community or diversity of interest, means of communication, physical features, existing boundaries of divisions and subdivisions and state electoral boundaries. Objections or suggestions in writing may be lodged with the commissioners at any time during the thirty days following advertisement in the *Gazette*. After the thirty days mentioned the commissioners are required to submit their report and the minister must lay the report before both houses of parliament. If both houses of parliament pass a resolution approving the distribution, a proclamation is issued declaring the names and boundaries of the divisions. That in general is the system in effect in the commonwealth of Australia.

In the case of New Zealand two commissions are set up to provide for periodical readjustment of representation, one for each island. Each commission is composed of five members. That of north island consists of the surveyor general, two commissioners of crown lands who are named by their title of office, and two members not being members of the public service or members of the general assembly, as the House of Representatives nominates from time to time. One of the five is a permanent commissioner. Again in that case certain regulations are followed. A report is made and within ten days thereof the governor general is required to submit the report to the House of Representatives to be dealt with.

In South Africa they have a judicial system under which three superior court judges determine the matter subject to regulations. Each individual state reapportions its constituencies and determines what the representation shall be on the basis of constitutional or statutory provisions.

I have referred to these systems in order to indicate my support of the amendment moved by the leader of the opposition and because I feel that in the interests of equity and fairness and in order to preserve the highest principles of representation in a democratic assembly the time has come to do that which Mr. King would have done had war not come and to which throughout the years he gave undivided support. At that time he was supported by two great leaders of his party, the late Colonel Ralston and the late Right Hon. Ernest Lapointe, both of whom joined with him in the House of Commons in proclaiming the need of forever placing in the pages of history the record of the past and determining that parliament should once and for all assure that the bickering and prejudice which undermine our democracy every ten years when this question comes up could well be removed from partisanship as it has not been throughout the entire period of our confederation.

The house divided on the amendment (Mr. Drew) which was negatived on the following division:

YEAS

Messrs:

Adamson	Hees
Argue	Hodgson
Blair	Jones
Brooks	Knight
Bryce	Knowles
Casselman	Macdonnell (Greenwood)
Charlton	MacLean (Queens)
Churchill	McGregor
Coyle	McLure
Diefenbaker	Murphy
Drew	Nowlan
Fairclough, Mrs.	Pearkes
Fleming	Robichaud
Fulton	Ross (Souris)
Gibson	Spence
Gillis	Stanfield
Graydon	White (Middlesex East)
Green	Wright—37.
Harkness	

NAYS

Messrs:

Anderson	Cleaver
Applewhaite	Cloutier
Balcom	Corry
Bater	Cote (St. Jean-Iberville-Napierville)
Bennett	Cote (Verdun-La Salle)
Beyerstein	Darroch
Blackmore	Decore
Blanchette	Dewar
Blue	Dickey
Boucher	Dumas
Bradette	Eyre
Bradley	Fair
Brisson	Ferrie
Bruneau	Fontaine
Campney	

Redistribution

Fournier (Hull)	McCubbin
Fulford	McCusker
Gardiner	McLean (Huron-Perth)
Garland	McWilliam
Garson	Major
Gauthier (Lake St. John)	Martin
Gour (Russell)	Mayhew
Hansell	Mott
Harris (Grey-Bruce)	Murray (Cariboo)
Harrison	Mutch
Hellyer	Pouliot
Helme	Prudham
Henry	Quelch
Hetland	Riley
Hosking	Robinson
Jutras	Rooney
Kickham	Rousseau
Kirk (Antigonish-Guysborough)	St. Laurent
	Sinclair
Kirk (Digby-Yarmouth)	Smith (Moose Mountain)
Lafontaine	Stuart (Charlotte)
Langlois (Gaspe)	Thomas
Lapointe	Viau
Larson	Ward
Leger	Weir
Low	Welbourn
Macdonald (Edmonton East)	Whiteside
	Winters
MacKenzie	Wood
MacNaught	Wylie—88.
McCann	

Mr. Catherwood: I was paired with the hon. member for Kent, Ont. (Mr. Huffman). Had I voted, I would have voted for the amendment.

Mr. Cardiff: I was paired. Had I voted, I would have voted for the amendment.

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

Mr. Casselman: No; on division.

Motion agreed to on division and bill read the second time.

Mr. Harris (Grey-Bruce): Mr. Speaker, I move:

That Bill No. 393, an act to readjust the representation in the House of Commons, be referred to the special committee appointed to consider the results of the census of 1951 and the readjustment of the representation in the House of Commons necessitated thereby, with instructions to prepare schedules to contain and describe the several electoral districts entitled to return members to this House of Commons.

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

Mr. Fleming: On division.

Motion agreed to on division.

BUSINESS OF THE HOUSE

Mr. Speaker: Is it the intention to go into committee of supply at eight o'clock?

Mr. Fournier (Hull): It is the intention to go into supply at eight o'clock, Mr. Speaker, and take up the estimates of agriculture, post office and the other departments mentioned last night.

[Mr. Diefenbaker.]

Mr. Speaker: If it meets with approval of the house, we could go into supply now and then call it six o'clock.

Some hon. Members: Agreed.

SUPPLY

The house in committee of supply, Mr. Robinson in the chair.

The Deputy Chairman: May I call it six o'clock?

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at eight o'clock.

DEPARTMENT OF AGRICULTURE

Special—

41. To provide for assistance to encourage the improvement of cheese and cheese factories, $1,000,000.

Mr. Corry: As the representative of a constituency whose citizens are vitally interested in the production of cheese, I should like to say a few words on this item. The cheese industry has had a good deal of consideration during this session. I do not wish to deal at any length with the difficulties which face the producers. Our inability to sell cheese on the British market has been a great disappointment to our producers; and the curtailment of our outlet in the United States, through the outbreak of foot-and-mouth disease, has also contributed to the difficulty.

There was some good news yesterday. I read a press report which stated that the restrictions in the United States may be modified. We hope for some kind of beneficial effect on our industry. If every citizen of Canada would consume, on an average, one-half pound of cheese more than he has been consuming in the past the difficulty would be resolved immediately. Our cheese is the best in the world. We have improved our quality so that it is exceeded by none.

I should like to ask a question of the minister in connection with this estimate. I notice that two years ago the amount appropriated for this purpose was $1,400,000. Last year it was $1,100,000. This year I notice the estimate is $1 million. I should like to ask whether the reduction has been in the amount which was provided for assistance to encourage the improvement of cheese or the improvement of cheese factories.

Mr. Gardiner: The quantity of cheese is down considerably. The amount of cheese that was being produced a few years ago was approximately 125 million pounds. Last

year it was about 80 million pounds. Of course the amount of money paid out is less.

Mr. Charlton: The hon. member for Perth mentioned reading a newspaper article dealing with this industry. There is something in the press this morning with regard to the Ontario government doing something about the 15 million pound surplus. I wonder if the minister knows anything about that.

Mr. Gardiner: I hesitate to make a report about it. It is really a provincial matter. It was dealt with in Toronto yesterday, I think, by Mr. Kennedy at a meeting with the cheese producers. My information, although it is more or less indirect, is that they were successful in getting rid of the cheese. I should not like to make that as a definite announcement, however, or even as an announcement at all.

Mr. Charlton: Is it entirely the provincial government that is doing that, or is it in co-operation with the dominion?

Mr. Gardiner: It is entirely provincial, apart from this consideration; that they are organized under the federal co-operative act, which only means that we guarantee them against loss up to 80 per cent of the average price over the last three years. But all the transactions are carried on by the co-operative itself and largely under Ontario legislation.

Mr. Charlton: Is it a one hundred per cent responsibility of the provincial government now to look after surplus farm products across the country?

Mr. Gardiner: It always has been their responsibility to look after them if they could sell them within the province; and cheese is largely sold within the province.

Mr. Fulford: I have just one suggestion to make. Would it be possible for the Minister of Agriculture to persuade the Minister of National Health and Welfare to use some of the advertising which seems to be at his command to advertise cheese as one of the best and most healthful foods we can eat? We see a great deal of advertising by that department; and I know of nothing better on which to spend money than on something to get our own Canadian people to eat one of the most healthful foods produced.

Mr. Fleming: Does that mean the hon. member for Leeds agrees with me that some of the present expenditures of the Department of National Health and Welfare are being wasted and could be much better spent in such ways as the hon. member has indicated?

Item agreed to.

Special—

42. To provide assistance for the replacement of maple production equipment, $500,000.

Mr. Wright: What is the total amount that has been voted to date under this item? I notice it has been in the estimates for a number of years now. How long is it expected that it will take to replace this equipment?

Mr. Gardiner: The Quebec government is expecting it will take two or three years yet in order to complete the expenditures that are necessary to make the change.

Mr. Wright: What is the total of the payments that have been made under this item over the years? In what year did they start and what have been the amounts paid each year?

Mr. Gardiner: They started in 1940, and the amount has been $2,250,000; that is, our share of it is $2,250,000. We pay one-third.

Mr. Charlton: I believe the minister told us back in 1949 that it started in 1936, carried on for a year or so, skipped the war period and then started again just after the war. There had been some money spent at that time.

Mr. Gardiner: I think that is right, that it was started before the war began.

Mr. Wright: Can we get the exact figures?

Mr. Gardiner: The exact figures are here. We shut it off just at the beginning of the war for a time, but it had been going on for a short period. This record here is from 1940, which is for the war period.

Mr. Charlton: As I understand it, this item is for maple sugar equipment that was defective in some way.

Mr. Gardiner: Those who are familiar with the maple sugar industry will remember that we used to be accustomed to see rusty pails hanging on trees. Someone conceived the idea of covering them with something which prevented them from rusting. It was a sort of lead covering, and the effect of the sap standing in the pails at times resulted in lead being taken into the sap and eventually appearing in the syrup, constituting a form of lead poisoning that condemned the syrup. The syrup that came out of those utensils was utilized largely in the making of cigarettes. The Americans objected to the syrup being shipped into the United States for human consumption.

We entered into an arrangement prior to the war; I think it is probably correct to say that we started discussing it in 1936. We did not get down to making payments until

1939-40. Payments up to the present have totalled $2,250,000 so far as we are concerned. It is a three-way arrangement under which the province pays one-third, we pay one-third and the people who are interested in the equipment take care of the other one-third.

Mr. Charlton: The minister says only $2,250,000 has been spent by the dominion government?

Mr. Gardiner: Yes, that is right.

Mr. Charlton: A total of $2,250,000?

Mr. Gardiner: Which is a lot of money.

Mr. McCann: It is $8 million altogether.

Mr. Fleming: One of your colleagues does not think it is a lot of money.

Mr. Charlton: How much longer are you going to continue this?

Mr. Gardiner: The work is done by the Quebec government. We simply undertake to pay one-third of the cost and the Quebec government does the actual administration. They tell us it will take another two or three years, but I must admit to the committee that I think it has taken a long time now. We are not carrying on the administration; the Quebec government is, and we shall probably have to check up sooner or later as to whether we should continue.

Mr. Charlton: Is the Ontario government taking advantage of it also?

Mr. Gardiner: No; it is only in Quebec.

Item agreed to.

43. For assistance in construction of potato warehouses under terms and conditions to be approved by the governor in council, $50,000.

Mr. Catherwood: What is the principle upon which assistance is given under this item?

Mr. Gardiner: Those co-operative organizations which have set up storages for potatoes started first in Prince Edward Island, and it has been taken on in some of the other provinces. The provision was that the province, or at least the co-operative, pays up to 25 per cent of the cost of putting up the storage and the province and the federal government split the other part equally between them.

Item agreed to.

44. Prairie Farm Rehabilitation Act and water storage, $3,249,270.

Mr. Knight: What is the estimate of the damage to the P.F.R.A. dams in the south-western part of Saskatchewan owing to flooding conditions this spring?

[Mr. Gardiner.]

Mr. Gardiner: An order for return was brought down quite recently, or an answer to a question was given, I have forgotten which, showing the total amount, which is something over $300,000.

Mr. Knight: Are repairs to those dams being undertaken at the present time?

Mr. Gardiner: Oh, yes, it is under way, and I imagine in connection with some of them pretty well completed.

Mr. Knight: Can the minister give any estimate of the damage that has been done to the surrounding country in the loss of farms and livestock?

Mr. Gardiner: We had an increase in our estimates, including the supplementaries, which amounts to about $500,000, in order to take care of the damage done around about and to make some improvements in the structures.

Mr. Knight: The point I want to make is this. Does this vote include any compensation to the people who had losses in that flood?

Mr. Gardiner: Well, it includes compensation in this way. We put some of the structures back in action that were on people's property and were destroyed.

Mr. Knight: I know the provincial government is making itself responsible for some portion of that cost. The dominion government is not working in co-operation with the provincial government on any scheme of that kind?

Mr. Gardiner: Well, we are working in co-operation in this sense. I understand the provincial government put an inspector in at Eastend, for example, to inspect the houses that had been damaged, and to report upon possible improvements, and I think possibly putting some money in it as well. The federal government has done a great deal of work in Eastend and elsewhere through that area in putting the streets back in condition and putting the lots around the people's houses back in condition, pumping water out of their basements and re-establishing the situation in general. That is of course one of the reasons for the expenditure of that extra amount of money.

Mr. Bryce: Is any of the money in this item for P.F.R.A. work in connection with cuts in the Assiniboine river?

There is only $50,000 in the supplementary estimates.

Mr. Gardiner: Item No. 50 deals with the Assiniboine river, diking and cut-off.

Mr. Fair: Will the minister tell me whether consideration has been given to extending the benefits of P.F.R.A. north of the present line west of Lloydminster and extending as far north as the North Saskatchewan river? I asked this question during discussion of item No. 1.

Mr. Gardiner: Well, it is involved in the larger question that we were discussing yesterday, as to whether we are going to extend P.F.R.A. work outside the Palliser triangle. That has not been done up to now, and I do not know whether it will be given further consideration until we apply the decision to all Canada rather than just to that area.

Mr. Coldwell: I should like to follow the hon. member for Saskatoon with one further question. With regard to some of these big fires and so on that have occurred in various places in the country, the federal government has assumed some responsibility for rehabilitation and aid. What strikes me about this Eastend situation is that it resulted from the destruction of a government project, a dam. It seems to me there is some responsibility for compensation to individuals who have suffered losses as well as the town of Eastend and the surrounding territory because of the failure of a government project which caused the inundation of the town and the country around that town. I should like the minister to comment. The very fact that the department felt it should use its facilities to pump water out of basements, to repair the streets, to rebuild the lots around the houses and so on would indicate that the department at least felt that it had some responsibility. The point I am making is that it would appear to me that the responsibility is not recognized to the extent it should be to the individuals who have suffered. Has that been given consideration by the department and by the government?

Mr. Gardiner: Well, yes, it has been given consideration. I think I explained here on one previous occasion the fact that it was given consideration; but there is a difference of opinion as to whether building the dam that was erected and placing the storage there, and also placing the controls at Cypress lake, which is above that, resulted in making it more likely that there would have been damage, or less likely. There was a dam there before the government stepped in at all, of course. The Watson estate had irrigation carried on at Eastend before the government took any part in it. Later on the government took that project over and enlarged it. Our engineers maintain that anything that was done there did not increase the damage that would have been done in any case this year. There was a much greater flow of water in the stream this year than is usual. Damage would have been done in any case. I quite understand that one will never be able to settle that; there will always be arguments as between one group and another. We have equipment there which is working on irrigation all the time, in other words it is handling water. It is just a reasonable thing—it is not a matter of admitting anything at all—that when we have equipment there, and people's basements fill up, we pump them out. The fact is that we simply put the pumps to work, and pumped them out. That was the natural thing to do. However, it cost money to do it; and we require to have a vote to cover it.

The irrigation that was carried on there was not only in the country but was also done in respect of people's lots in the village itself. The water coming down through the village took some of the lots almost entirely away, at least it took away the top covering of earth. We used our equipment to put it back again. In some cases streets were torn up by the water, and we used our equipment in that connection, too. In other words, when we were putting in the ditches, the boxes, and all that sort of thing associated with irrigation, we completed the job in a way that was helpful to everyone.

Mr. Laing: Mr. Chairman, I do not think this item should be allowed to pass without some expression of appreciation for the splendid work the department is doing through the expenditure of this money. I have no doubt the great number of relatively small works throughout the prairie provinces are of benefit to agriculture out of all proportion to the amount of money invested in them.

Mr. Coldwell: I agree with that.

Mr. Laing: We in British Columbia do appreciate the minister's entry, through this branch of his department, into one or two relatively small projects, the largest of which was a river containment plan at Pemberton. The hon. member for Kamloops is not in his seat to thank the minister, so I shall do so. There is some work being done on the west bench at Penticton and some work at Westbank in the Okanagan.

I was wondering if that expenditure would come under this item, and if we in British Columbia are officially acknowledged as one of the areas for P.F.R.A. assistance. I am wondering if we may expect the minister's engineers to continue their investigations within British Columbia, because in that

province there are a number of additional points where this sort of help would be of great benefit to us.

Mr. Gardiner: The expenditures we are making in British Columbia would come under item 47 which deals with land protection and reclamation. However, it was as a result of the P.F.R.A. work we have done on the prairies that this work in British Columbia was undertaken some years ago. The first was in the Pemberton area, and it has been pretty well completed. I believe this season will complete what was undertaken there. There is the possibility of doing other work. We are undertaking further projects in the Okanagan valley and elsewhere, under this item.

Mr. Wylie: I listened carefully to the minister's statement a few moments ago about Eastend. It must also be remembered that Medicine Hat suffered a serious flood this year. Whether it was occasioned by the going out of the Seven Persons dam, I cannot say. We know, however, that the spillway of the dam went out, and that the results were disastrous. If Medicine Hat is to be treated in the same way as Eastend, then Medicine Hat should be given some compensation for the damage caused through the going out of the spillway. Is it the policy of the government to give assistance in cases of this kind?

Mr. Gardiner: I should imagine the hon. member would know as much as anyone about the situation out there. My officials say they have not received a report about any serious damage at that point. We realize that there is damage, of course, in the event of a big run-off of water in the spring of the year.

Mr. Wylie: As a result of the spillway of the Seven Persons dam going out, the city of Medicine Hat was flooded. Hundreds of families were kept out of their homes. I am sure all hon. members will recall reading about it in the newspapers. Today we are still taking up subscriptions to assist in putting the lots back into proper condition, pumping out the basements and other work of that kind. Many of the homes are damaged beyond repair. Would the policy that applied to respect of Eastend also apply to Medicine Hat?

Mr. Gardiner: The Seven Persons dam is a small stock-watering dam. I can scarcely understand how it would do that much damage. However, we will check and find out whether it was the cause of the damage. I would imagine, however, that any damage for which we would be responsible would only be that having to do with the stock-watering end of it, at the dam itself.

Mr. Wright: Under which of these items is work being carried on at The Pas in northern Manitoba in connection with the raising of dikes and reclamation of land?

Mr. Gardiner: It would be under item 48.

Mr. Corry: Mr. Chairman, I rise at this time as a result of the comments made the other day by the minister in connection with the possibility of the provisions of P.F.R.A. being extended to other parts of Canada. As the minister and hon. members will know, in Ontario we have a number of persons engaged in conservation work. While this is in its earlier stages, public opinion is gradually being awakened to a realization of its importance. I feel sure I am voicing the sentiments of many farmers in Ontario when I say we would be deeply interested in having set up, perhaps under different auspices, a body similar to P.F.R.A. to take care of this problem in Ontario.

Mr. Quelch: Mr. Chairman, the people in the area I represent deeply appreciate the help that has been given to them in the past through the construction of dugouts. A good deal of irrigation has been carried on from these dugouts through the use of sprinkler systems. A short time ago the board of trade of Hanna passed a resolution, of which I believe the minister was sent a copy, asking that a grant be made toward the purchase of a sprinkler system. I raised this matter I think three years ago. At that time some confusion was created in the minds of the people out there as to whether or not it was possible to get a grant under the P.F.R.A. for the purpose of purchasing a sprinkler outfit. The minister said that it was not, but I believe there was an understanding that if a farmer paid the full cost of building a dam or constructing a dugout it would be possible for him to get a grant from the government for the sprinkler system in lieu of the money that would have been paid on the dam. I do not know whether that is correct, but I think the minister will agree that it is a reasonable proposition. If a farmer has constructed a dam or paid the whole cost of constructing a dugout he should be able to get the amount of money he would have got from the government for that purpose.

Mr. Gardiner: It has not been our policy to assist in the purchase of sprinkler outfits. We do assist farmers to put in dugouts or dams. I suppose the dams the hon. member has in mind were put in before this policy was first in effect, which would be some

seventeen years ago. I doubt if since that time there have been many dugouts constructed for which assistance was not given. I would hesitate to go back seventeen years and start to give special assistance in connection with dams or dugouts constructed before that time.

Mr. Quelch: Apparently the farmers were not aware that they could get grants and they went ahead and constructed the dams and then found that a grant could have been obtained. They were advised by the local agricultural authorities to use a sprinkler system, and they now wonder whether they can get money for that purpose when they did not ask for any assistance in the construction of the dams.

Mr. Gardiner: I do not think the government would want to adopt a plan of that kind. It would seem a considerable expenditure of money for something similar to a lot of other equipment on the farm with which we might be asked to help as well.

Mr. MacKenzie: It seems to me that we are in a rather precarious position. The government builds a dam to store water; then when the dam goes out the government must compensate the people for building the dam. It looks like a kind of vicious circle. Where do the provinces enter into these rehabilitation and protection schemes?

Mr. Gardiner: The P.F.R.A. is handled by our own organization which spends the federal money. Personally I am a strong believer in the principle that the people who raise the money should spend it. In this particular case we raise the money and we spend it. I think we get better results that way. As far as a vicious circle is concerned, we probably do put back the dams when they go out. I suppose the principle is that they should have been put in well enough to stay there. We were talking about bridges earlier along somewhat the same lines. We have had no difficulty at all with by far the greater number that have been put in.

Mr. Wylie: I want to say that we do appreciate what the P.F.R.A. has done in the way of water storage, but many times a good dam is constructed and then the spillway is left uncompleted. I suggest to the minister and his parliamentary assistant that when dams are put in the spillways should be completed. We have had several instances of this kind, and I mention the Ross creek irrigation project in particular. The P.F.R.A. and the Alberta government spent considerable money on that project. The material was all there but it was not completed, and will now cost the dominion government about three or four times as much as it would in the first place.

Then the spillway was not completed in connection with the Eagle Butte dam. We were all afraid that dam would go out this year, but fortunately it did not. It seems to me that when the P.F.R.A. undertakes one of these projects the spillway should be completed, because that is very important in the storage of water. I do not mean this as criticism; I am simple offering advice and suggesting that these spillways should be completed so that what happened this year, last year and the year before cannot happen again.

I am glad to see that the department is spending some money in connection with water storage because we need water out there, especially in the summertime. But when a good dam is built, see that the spillway is completed so the dam will be protected when the spring run-off occurs.

Mr. Stuart (Charlotte): I have been listening to the discussion, particularly that of the hon. member for Medicine Hat; and to a maritimer it would appear that when these dams are built, they are built by the P.F.R.A., and then when they do not work properly, it is still the fault of parliament. It would seem to me that it works both ways. If it works, it is the fault of parliament, and if it does not work, it is still the fault of parliament. P.F.R.A. then means parliament's fault regardless of action. It looks pretty hard to determine whether these projects should be undertaken.

Mr. Wright: I would point out to the hon. member that when a wharf is built in Nova Scotia and for some reason it is washed out, naturally they want it replaced. They holler their heads off if it is not replaced.

Mr. Stuart (Charlotte): That is not the point. If the wharf is built and something around it is damaged, we would not expect the government to come back and repair it. Following your argument it would look as though after they were built it was still parliament's fault regardless of what happens.

Mr. Hosking: I have listened with interest to the debate, but I would like to ask the minister who puts up the money if these dams require maintenance.

Mr. Blackmore: I wonder if the hon. member would speak louder.

Mr. Gardiner: If the others would keep quiet it would be all right.

Mr. Hosking: I know that when these dams get into disrepair the farmers say, let it wash

out; we won't bother maintaining it because the dominion government will replace it if it does go out. I do not think that is a sound idea, and I would like the minister to tell us whether the taxes we pay in the province of Ontario are used to maintain these dams that are not properly maintained by the farmers.

Mr. Gardiner: Very few of them go out, but unfortunately you only hear about the ones that do. The dams are maintained by the people who have been assisted. There is a general impression that we build these dams and dugouts and so on, but we don't. We simply make a subscription towards their cost. We pay what is presumed to be about one-third of the cost and the farmers pay the remainder themselves. When a farmer puts a considerable amount of money into a project of that kind he does his best to maintain it. He does not want to put it back in and the government does not want to put it back in if it goes out; so the people who are interested in the water maintain the structure.

Mr. Murray (Cariboo): May I point out that P.F.R.A. assistance ceases beyond a certain triangle on the prairies. We feel that the benefits of the act should be extended in British Columbia, and in fact it is already being applied at Pemberton and Kamloops through the very good offices of the Minister of Agriculture. The conservation of water is very important in the Peace river country, and I hope the Minister of Agriculture will extend the benefits of the P.F.R.A. to the Peace river country of British Columbia. It is a vast agricultural country which last year shipped 5 million bushels of wheat to the markets of the world.

In this connection I want to pay tribute to the minister for having started P.F.R.A. at Pemberton, where a vast area was reclaimed and where many soldier settlers, Indian settlers and others were enabled to establish farms. We feel that a great tribute should be paid him and that a very great debt is owing to him for having instituted that assistance at Pemberton in British Columbia.

We are steadily advancing with the Pacific Great Eastern Railway, and we hope the minister will extend the benefits of P.F.R.A. to the Peace river bloc of British Columbia so that cereals, grains and other products from that area may be made available to the lower Cariboo and Pemberton area. In short, I want to pay tribute to the Minister of Agriculture for having foreseen the development of the Pacific slope and that one part of that great area may supply the other in the agricultural development of that part of the country.

Item agreed to.

45. Major irrigation and reclamation projects in the prairie provinces, $7,064,630.

Mr. Knight: It is perhaps trite to say that the people of Saskatchewan are very disappointed at the tardiness with which the dominion government is proceeding with the work on what is commonly called the South Saskatchewan dam. I think the right hon. minister must bear some of the responsibility for that disappointment, because he has constantly painted glowing pictures of what the dam would mean to the province of Saskatchewan. He has said it would create a great agricultural revolution in that province, and I think with that I can agree at this time. The fact is, however, that this project has been delayed beyond all expectation, and indeed beyond all reason.

As I said, the minister himself has created glowing pictures of what that dam will mean to us as security against drought. I am afraid that in many of his pre-election speeches particularly he has made unfulfilled promises and we are very disappointed at the delay. I will not go into the history of the project.

Some hon. Members: Hear, hear.

Mr. Knight: The hon. member for Lethbridge gave us a very interesting background of the story of that part of the country the other day, and the minister told him that when we got to this item he would be prepared to discuss it. I feel it is simply my duty to say that the people of Saskatoon, who are looking forward to the results of the building of this dam, if it is indeed ever built, would expect me to register the protests they have made. Representations of course are constantly made to me as their member. I have for instance in front of me a letter from the Saskatoon board of trade dated June 4, 1951, addressed to the Prime Minister expressing their desire in the matter and their disappointment that action has been delayed.

There is in that part of the country, as the minister well knows, an organization known as the Saskatchewan rivers development association, which is doing valuable publicity work in regard to the matter. They have an annual meeting, and I am well aware that annually at least they send the minister an expression of their desires. I have in my hand such an expression under date of June

15, 1951, in the form of a wire addressed to the Prime Minister. I think I should read this one:

> Knowing that the irrigation of central Saskatchewan will raise the economic standards of our province to their proper place in our national economy and being assured that the South Saskatchewan river project is both feasible and practicable, we, the S.R.D.A. in annual meeting today, record our regret that the government has seen fit to delay approval of construction pending further consideration by a committee of experts; but in view of this decision we strongly urge the government to make this selection of experts without delay and that they be requested to hasten their report in order that an approval of the project may be entertained by the government at the coming fall session. So urgent is the need we ask that the project be proceeded with immediately.

I would also like to quote from the newspaper in our city, which certainly cannot be accused of doing anything but supporting this government and its kindred Liberal party in the province of Saskatchewan. I may say that is particularly true before elections; and if the minister read, as I have no doubt he did, the copies of the *Star-Phoenix* for the month previous to the recent provincial elections I think he will bear me out in that regard. I have not criticized the minister very severely, nor indeed the government, but this paper is more severe in its criticism. The article or editorial is entitled "No argument". It is contained in the June 2nd *Star-Phœnix* and it says among other things:

> The federal government's decision to pigeonhole the South Saskatchewan dam project is only less amazing than Mr. Gardiner's reasons for doing so. The project has been studied, surveyed, analysed, discussed and debated for more than four years.

I think that is an understatement, because I heard the minister, as I have reminded him before, make a very eloquent speech at the technical school in Saskatoon in 1944 in which he promised untold millions for the construction of water projects in the province of Saskatchewan.

Mr. Gardiner: The only part that is wrong is your last statement.

Mr. Knight: The article continues:

> On June 24, 1950, Mr. Gardiner assured an audience at Outlook that "I can tell you tonight that we know, that our engineers are satisfied the dam is feasible." He intimated that an arrangement between Ottawa and the provincial government for sharing the cost was the only thing then holding up a start on the project.

That is a very Gardiner-like statement.

> That arrangement has since been made. And now Mr. Gardiner says more experts are to be called in to study, survey, analyse and debate, because, he implies, some of his colleagues in the government are still doubtful. Has the government lost confidence in its own engineers, we wonder? Or has it some other reason for stalling?
>
> If Mr. Gardiner had used the international situation and the defence program as a pretext for delay—

Mr. Murray (Cariboo): On a point of order, Mr. Chairman, I think it is quite out of order for an hon. member to quote reams and columns of things that have been printed in newspapers. The hon. member may easily state his own views or he might insert quotations from Eaton's catalogue. At this late stage in the session it is quite out of order for an hon. member to quote columns and columns.

Mr. Knight: If the hon. member is challenging me to make a forty-minute speech I may take him up on it. I am quoting this editorial because I thought it was concise and would save the time of the committee. I continue to quote with your permission, Mr. Chairman, and without the permission of the hon. member who has just taken his seat. I shall finish in a moment.

> If Mr. Gardiner had used the international situation and the defence program as a pretext for delay he would at least have had an argument. The dam project, spread over a 10-year period, would be a drop in the federal treasury bucket, despite the burden of the defence program; but it would do much to ease the effects of a dislocated, defence contract period on this province, not to say strengthen the economy of Saskatchewan and thus of the whole country, for peace or war. Still, if the government had used this argument it might have had some grounds for rebuttal.

Mr. Murray (Cariboo): On a point of order—

Mr. Knight:

> The argument it has used amounts to a direct slap in the face for the people of Saskatchewan.

Mr. Gardiner: Mr. Chairman, might I say—

The Chairman: Order. The hon. member for Cariboo raised a point of order a moment ago, and the hon. member for Saskatoon explained that his quotation would be very short. As he was finishing his quotation, the hon. member for Cariboo rose again, and I thought it was to ask me to rule on the point of order he had raised. If it is true that the hon. member has now concluded his quotation, the point of order has been settled.

Mr. Knight: At this late date in the session, Mr. Chairman, I shall not carry out my threat to make a forty-minute speech giving my own ideas, although I assure the hon. member that on this subject I could speak for forty minutes with the greatest of ease. I shall say this, and it is not a quotation. We understand well enough that this is a long-term project. We do not want this government to enter into a national proposition, as this certainly is, without due care and consideration. But I do violently object to having this thing made into an election political football. I do violently

object to being promised the project at every election, and then finding after the election is over that the government is pussyfooting and delaying getting on with the project. That is what I wanted to say.

I am going to make the prediction, Mr. Chairman, that before the next election comes there will be lots of dam building machinery down around the project. If the machinery is not there, then the minister will be there himself telling us once more that if the Liberal government is just returned to power in this country we will have the dam project in no time.

Mr. Blackmore: Would it not be wise for the minister to give us that outline of the project which he promised?

Mr. Gardiner: I might say, Mr. Chairman—

Mr. Diefenbaker: Before the minister speaks, I have only a few brief remarks I should like to make. I do not want to repeat anything that has been said. I believe the situation is that the commission has not reported as yet; therefore I may not be as critical as I might otherwise be. I should like to ask the minister to do what he can to get an early report. Certainly the postponements that have taken place and the excuses that have been made in the last two years for not proceeding with the work have aroused a feeling of antagonism which was clearly evident at the meeting which took place last week at Outlook, to which the hon. member referred.

One interesting feature that was brought to the attention of the gathering there was a preview of the irrigation project which was given to those who were in attendance at this function, numbering some 243. I read from the Regina *Leader-Post*, in which it is stated:

> A preview of what south central Saskatchewan may expect in the way of crops and crop yields when irrigation replaces dry farming here was given to about 100 visitors who toured the P.F.R.A. pre-development farm at Outlook Friday.
>
> Dr. Thomson told delegates that it was a 1948 S.R.D.A. resolution that had been responsible for the government setting up the pre-development farm two years ago. And since that time the farm had been experimenting with a variety of crops to determine their suitability under irrigation.
>
> The farm—160 acres—had 60 acres under the sprinkler system and the balance under gravity irrigation.

From the experiments that have taken place there, some indication was given as to the extent to which crop rotation could be proceeded with in that area. I think that was a most commendable piece of work on the part of the department and one that deserves the support of all the members, particularly from Saskatchewan. We realize that if this project is proceeded with it will mean irrigation being made available to some 500,000 acres or even more, in an area that throughout the years has suffered from recurrent drought. Certainly it is rather difficult to understand why it became necessary to set up a commission to review the conclusions arrived at by the engineers of the Department of Agriculture and those connected with the P.F.R.A. Those engineers know conditions in Saskatchewan. Their experience is practical; and more than three years ago, if my recollection is correct, they determined that this scheme was practicable and that in addition to the irrigation possibilities and the probable improvement of production in that area, it would also provide a power development for Saskatchewan. Without such a development Saskatchewan could never hope to achieve a basis of industrial equality with the other provinces.

I think, in addition to the irrigation possibilities, the development of power there will be of material advantage in placing that province in a position to take advantage of some of its industrial potentialities. When you realize all the hundreds of millions of dollars being spent on defence, and the small drop as it were, finding its way into Saskatchewan, and that it would be otherwise if there were a power development, the necessity for something being done immediately in this connection is apparent.

The commission was set up composed of Dr. Hogg and two other distinguished gentlemen, Dr. Widtsoe and the president of the Calgary Power whose name I forget. That commission has had its ups and downs, and one chairman was ill. But the postponement and the procrastination that have taken place in connection with this matter are difficult to understand. The minister himself stated more than two years ago that this scheme had been found to be practicable and that there was no doubt as to the potentialities that were apparent in the province provided the plan was gone ahead with. For some reason—apparently the other ministers in the cabinet do not share the view taken by the Minister of Agriculture—the commission is set up. The commission now has been sitting for several months, or at least it has been in the process of sitting from time to time; yet we are apparently no nearer a solution to this problem than we were last year.

I feel that the delegates to this association were justified in the conclusions to which they came and to which the hon. member for Saskatoon made reference. He quoted from the resolutions or the general attitude adopted by the membership of this association; and no one can criticize them for taking the

stand they now take, namely that the time has come—to use the words of Dr. Tufts—to take off the kid gloves and let Ottawa know that Saskatchewan is fed up with delays and excuses.

With all the hundreds of millions and billions of dollars being spent for defence and with this being a project that is needed in Saskatchewan, one that will be self-liquidating, one that in the years to come will pay dividends far in excess of any cost, the latest delay or the latest reason for delay, namely that engineers have to be called in to ascertain what the cost would now be, is scarcely in keeping with the kind of action the people of Saskatchewan have the right to expect.

I look back to 1944 and just prior to the election of 1945. Many teams and outfits started to work there. They were in the investigatory stage. After the election we passed to an expenditure of about $1 million a year; but since 1949 there has been nothing but delay. Small expenditures have been made, but we in the province of Saskatchewan certainly believe that the views expressed by the association and by Dr. Tufts are representative of a viewpoint held without regard to party considerations. All we want the minister to know is that we are with him in what he has told us he is endeavouring to do, namely to get this work under way with as little delay as possible.

Mr. Murray (Cariboo): In reference to the position in Saskatchewan, I would point out that none of us object to bringing as much prosperity as possible to the farms of Saskatchewan. But we are paying a large sum of money in order to indemnify freight from Saskatchewan to the various sources where animals are fed in Ontario, Quebec, British Columbia and elsewhere. I want to say that I have a brother in Saskatoon who is feeding 500 cattle. I have another brother in the province of Ontario who is also feeding cattle, either a lesser or a larger number. The one in Ontario receives the benefit of free freight on feed from Saskatchewan to Ontario and is, as it were, in competition with the other brother who, at Saskatoon, at the very source of this feed, is handling his cattle. I say the various parts of our country depend one upon the other. We must remember that a great sum of money is going out from the treasury of Canada to indemnify those who are shipping cheap feed from Saskatchewan to British Columbia, Ontario, Quebec and elsewhere in Canada.

Mr. Coldwell: I want to say a word on this item. If I looked at the map for the proposed new constituency of Rosetown-Biggar, I think I could say that probably my constituents will have a still greater interest in it than they have had previously; because if the redistribution is made in the way it seems it is going to be, Rosetown-Biggar will comprise the whole of west central Saskatchewan, and both sides of the great river; thus the irrigation project on the South Saskatchewan river will be almost entirely in the new constituency of Rosetown-Biggar. However, I do not mind that because, as a matter of fact, if this irrigation plan goes through it will irrigate one of the finest sections of Saskatchewan. Already those who have a knowledge of soils and irrigation tell me that the area to be irrigated, or at least 450,000 acres of it, is far above the average in the potential production and fertility usually associated with irrigation projects.

I have always been in favour of this plan and, like the members who have spoken, I hope it will not be delayed further. When the commission was appointed a year ago I was rather surprised at the personnel. This is essentially an irrigation project, with power important perhaps but incidental to it. Whether the development of power on the river is feasible or economic should not in any respect interfere with the carrying out of what is essentially an irrigation project, power being I repeat relatively incidental. I was therefore greatly surprised when only one outstanding irrigation man was included on that commission of three, namely Dr. Widtsoe of Salt Lake City who, as we know, is one of the outstanding authorities on this continent with respect to irrigation projects. The other two gentlemen, Dr. Hogg, the former chairman of the Hydro Electric Power Commission of Ontario, and Mr. Gaherty, president of the Calgary Power Limited, were both primarily interested in electric development. When a project was primarily for irrigation and power was merely incidental thereto, and it was only in the power aspect that any doubt has been cast upon the project, as far as I know, I found it difficult to understand why a commission of that type should have been set up. I should have liked to have seen the commission weighted the other way, namely with two outstanding irrigation men and one power man.

This project has been a long time in prospect. As a matter of fact it was discussed a long time before 1944. I remember distinctly moving a resolution in this house in 1947.

Mr. Gardiner: 1937.

Mr. Coldwell: Yes, 1937. I remember moving a resolution in this house dealing

with irrigation projects in Saskatchewan—it was during the drought period—and spending quite a little time on the possibility of using the rivers which flow through Saskatchewan and more particularly, of course, the southern branch of the great Saskatchewan river which we know as the South Saskatchewan. This project was in prospect long before that time, of course. There was the Pearce report and the Pearce plan. I have forgotten what year that was but it was in the early part of this century; I believe it was in 1922. I remember the hon. member for Acadia discussing that plan and the irrigation possibilities of these western rivers.

The government may take the attitude that there is not the pressing need for it at the present time because there is plenty of water on the prairies. As a matter of fact I have never seen as much water in the 43 years I have been on the prairies as we have there at the present time. But we all know that the history of the prairies proves that is only a temporary condition, and at some time or other that water will go and the prairies will be subject to dry conditions again.

That has been the history of the prairies; it is to be found recorded in the soils, and if you look at the rings of the trees you can find it written in the trees that grow in the prairie regions. I say to hon. members who are not from the prairies that in my opinion this is one of the great insurance projects for all Canada and the economy of all Canada. By the time this dam is built and the irrigation ditches finished and the country irrigated we may once again enter upon a period of dry years. We do not know, but that has been the history of our prairie country.

I am most anxious to see this project proceeded with. I know it is a considerable project; I know the government and the country must be satisfied that the dam can be built; that the foundations must be such as to carry the dam and keep back the water and see that no seepage underneath will undermine the dam. I say that because I wondered why the minister introduced a doubt in Saskatoon quite recently: warning that in the event of the dam going out the city of Saskatoon would be the one city which would be wiped out.

Mr. Gardiner: I did not introduce that recently. My hon. friend sitting behind the hon. member is able to tell him that I have been saying that for many years.

Mr. Coldwell: Well, this was the first time I had seen it played up to the extent it was played up on June 9 in the city of Saskatoon. It almost looked as though the minister were trying to frighten the people away from the project. That was the way it looked to me when I read the newspaper report. But I am convinced of this, that the engineers who have surveyed the dam site know full well that a dam can be built with perfect safety and with security for the city of Saskatoon, and I have been satisfied that that could be done for a number of years now.

I certainly would like to see the report of the commission tabled in the house so we might know exactly what they had to say about it. I know that one of the reasons for the delay in the report is the illness of Dr. Hogg. Dr. Hogg I was sorry to learn has been apparently in ill health for a very considerable time. If I may say this with all due respect to Dr. Hogg—I know the difficulties the government would have in adopting the suggestion, but I am going to make it—in the interest of this project, if Dr. Hogg is to continue in ill health, extending over a long period of time, he should hand his resignation to the government in order that he might be replaced by someone who could carry forward this investigation, because delay is holding up the development of a whole section of Canada, in this prairie region, a region which has great potential production. Nothing else is holding it up.

I know it was said in this house, and I was rather surprised—I am not blaming the Prime Minister because the answer to the question of the hon. member for Kindersley would have been provided by his advisers—sometime in March that the delay was owing to the fact that the Saskatchewan government had not submitted a brief. Well, I happened to know from the secretary of the commission at that time, whom I met casually a short time before, that it had been agreed with the commission that no further brief was necessary, and that until the public hearings, if they ever were held, were undertaken, nothing more was expected from the government of Saskatchewan. I knew that at the time. I say I knew that from the secretary of the commission, and obtained the information in a casual conversation. Therefore I say, Mr. Chairman, that these excuses will no longer hold water. What we want is the dam to hold water, and I have no doubt that if the dam were built, it would hold water. As the hon. member for —is it still Lake Centre?

Mr. Diefenbaker: Yes.

Mr. Coldwell: As the hon. member for Lake Centre indicated a few moments ago the demonstration that has been prepared

at Outlook has illustrated what irrigation will mean to the area. Incidentally, the town of Outlook was across the river from the rest of my constituency in 1935; and I always wondered why it was included in Rosetown-Biggar at that time. Well, now it will be right in the very centre of the constituency because of the manner in which it is to be enlarged, so I shall have a beautiful garden in the middle of my constituency to demonstrate the feasibility and desirability of the South Saskatchewan river scheme.

When the minister rises I hope he will answer the request of the hon. member for Lethbridge and give us the information requested; but most of all I hope he will be able to tell us that the final report is about to be made, and that when the report is made—I hope it will be a satisfactory one—the appropriations will be made to proceed with this project.

It is quite true, as the hon. member for Lake Centre said a few moments ago, that we can find billions of dollars when we have to, and we have to find billions of dollars, for defence. I am not criticizing that; but when we have to find it for defence we can find those billions of dollars. Here is a plan which is a defence plan too.

Mr. Diefenbaker: And self-liquidating.

Mr. Coldwell: And self-liquidating, not a wasting expense as defence expenditures usually are. It is a self-liquidating defence plan, a defence plan against what? Against possible drought and impoverishment of a large section of the country, and needed in the production of quantities of food—and food may in the long run be the very best means of defence the democratic world can find in this period of the world's history. Therefore I want to join not only with members of the Conservative party and my own party and the Social Credit party, but I am quite sure with many members of the minister's own party, in urging the immediate undertaking of this great irrigation project in the province of Saskatchewan.

Mr. Drew: Before the minister speaks on this I wish to add some comments to what has been said about this project. I do so because I think it would be unfortunate if the impression were unintentionally conveyed that this is something of interest only to the people of Saskatchewan. It is something of very great interest to the people of the whole of Canada.

One of the subjects that have been causing hon. members some concern in the past few days is the impact of the reduction of population in the province of Saskatchewan. That has been partly the result of changing methods of agricultural production with the effect of greater mechanization, but also it has been very largely the result of the failure to deal with this problem years ago. Look at the areas where there has been a heavy reduction of population, and you will find some of the greatest reductions in the very area that would have been served by this irrigation project if it had been undertaken some fifteen years ago when it was first proposed and first regarded as a satisfactory project.

When I say this is something of concern to every member of the house and to every Canadian, I do so at a time when members are asked to regard the St. Lawrence deep waterway as a subject of interest to every Canadian. Those who live in the area where the most immediate benefit from the St. Lawrence deep waterway and power project would be felt ask the people from other parts of Canada to regard this as a national project, and not one that would be of interest only to that part of the country which will benefit most directly from the result of what is done in the area, at very considerable cost to all Canadian taxpayers.

May I say that the St. Lawrence project has been regarded in that light. I would like to see every member of the House of Commons regard the South Saskatchewan development in the same light, as a development which should be undertaken not only in the interests of Saskatchewan but in the interests of Canada as a whole, and as part of the general development of this country.

Having said that I do wish to emphasize the fact that this is naturally a subject of very great concern to the people of Saskatchewan living in that area. I am however impressed with the difference in the approach to this subject as compared with the approach to the St. Lawrence deep waterway. This government has committed itself irrevocably to the construction of the St. Lawrence deep waterway and the development of the power projects associated with it, although there are still uncertainties as to all the details connected with the carrying out of that immense project at a cost of hundreds of millions of dollars. The government expressed no unwillingness to commit the Canadian taxpayers as a whole to this project, though it was clear that there were certain details still to be worked out. They recognized the principle as sound, and the government and members of the house have committed themselves to the fulfilment of the project, though certain details must still be carried out.

Mr. Low: To the tune of $800 million.

Mr. Drew: I believe that long ago the House of Commons should have been given the opportunity to express its acceptance of the principle of this project, and should then have said to the engineers, "This job needs to be done." I am not saying that any project of this kind should be undertaken recklessly or without adequate consideration. We have had adequate engineering advice to the effect that this is a sound project.

First of all, there is clear evidence to be seen by anyone who visits that part of the country that this irrigation area, now almost a dust-bowl, can become one of the most productive agricultural areas in Canada. It has already been pointed out that near Outlook there is an experimental area which has been irrigated. In that area one will see as rich production and as fresh growth as can be seen anywhere in Canada. In that area one can see evidence of what irrigation of this kind would mean.

I do not want to take issue with the hon. member for Rosetown-Biggar in anything he has said, because I agree with the general views he expressed. But there is one feature of this project that I believe requires emphasis. While the first concern, naturally, is the restoration of the productive capacity of the soil in that area, and to that extent irrigation is the primary consideration, it should be remembered that it will only be with electrical power that the irrigation can be carried out. It will take a very substantial part—perhaps a third or a half—of the primary electrical power to carry out the full project, and to provide the power for the pumping stations which will be needed to carry the water to the most distant points. Of course I admit that other types of power could be employed, fuel oil or gas, perhaps. But the project I have heard discussed when I have visited that area, and the plans I have seen, have been based upon the use of electrical power for the irrigation project itself.

Mr. Coldwell: I do not wish to be misunderstood; what I meant was that primarily this is an irrigation project.

Mr. Drew: As I said, I am not taking issue with the hon. member for Rosetown-Biggar. I was simply pointing out that the development of power is an essential feature of this development, unless fuel oil or natural gas were employed for that purpose. Conceivably at some time that might be a desirable development; but in the first instance it would seem that electrical energy is the most economical method of carrying out this development.

I do not claim expert knowledge beyond the fact that I have been associated with some decisions connected with power development of one kind or another, but I think it is safe to say that there are few places in Canada today where construction would be easier in connection with the erection of a dam for holding back the water for purposes of irrigation, and also for the provision of the necessary headwaters for the production of power in that area.

As I understand it, the engineers have agreed on a site where a dam can be constructed satisfactorily. There are no great rock cuts; there are no diversions of rivers or anything of that kind involved. It is a straight filling proposition between even river banks, one of the simplest engineering projects that could be imagined for the purpose of carrying out this great undertaking.

I am convinced that those who have been associated with the advancement of this project over the years have been working on a perfectly sound basis. Dr. Tufts, at Outlook, who has headed the local organization, has at all times spoken with moderation in regard to the project, and has at all times, along with those associated with him, sought to rely upon expert engineering reports in the proposals he has made. I mention this now because, while the effect of anything that is done will naturally be felt immediately by the people of Saskatchewan, I think all of us in the house should regard it as the responsibility of Canada as a whole, and we should ask the government to commit itself without further delay to the decision to proceed with this project. There is plenty of evidence that it is a sound project, and the engineering details can be worked out by those who are entrusted with the fulfilment of the undertaking.

Mr. St. Laurent: The government will not commit itself to this project until there has been a report that it is sound economically, and that it would be a proper investment of the money of the people of Canada. But if that is established—and I hope it will be established, as I have said before in the house—I think it is a project that is not merely in the interests of Saskatchewan but is in the interests of the Canadian nation.

There have been many engineering reports that it is physically possible to build a dam there that will stand, although it is a very high earthen embankment that is required, and not just as simple as the leader of the opposition, in his remarks, would represent it to be. There have been engineering reports upon it, and it has been established to our

satisfaction that it is physically possible as an engineering proposition.

There remains the question as to whether that would be a proper capital investment for the people to make in view of its cost and the benefits to be derived from it. With respect to the production of electrical power there is still a question as to whether it could be produced more economically from the water that would thus be stored up or from low-grade fuels which are abundant in that part of Canada. That is a question upon which the leader of the opposition may have an opinion based upon data available to him; I have not. I have seen the reports made by those who hold conflicting views upon it, and I am not in position to form an opinion as to whether it would be better to produce hydro power or to use low-grade fuel to produce the same amount of electricity.

There is a considerable area that it is considered would be made much more productive. I do not remember the exact acreage, but I know it is substantial. It would represent a capital cost of many dollars per acre to provide the necessary reservoir. But I do not think that should frighten us. When our ancestors went ahead and built a railroad across the continent from one ocean to the other there were those who said that it would never earn its axle grease, but I think events have proved that that kind of investment and the spirit of adventure that made that investment possible was the kind of thing that has brought Canada to the position we enjoy today.

Hon. gentlemen will remember that in the speech from the throne in the session preceding this session three projects of national importance were put forward and lumped together. There was the St. Lawrence seaway project which will run into a large sum of money. A major portion of the hundreds of millions required for that project will be devoted to the production of hydroelectric power. I have been informed by reliable sources that the production of that power will mean to the people of Ontario, over and above the interest and amortization and the cost of operation of the hydroelectric plant, a saving of at least $25 million per year when compared with the cost of producing power by any other means that would be available.

The other half of the hydroelectric development will be paid for and taken care of by the agency to be appointed by the government of the United States to develop its share of the waterpower available. There will still be two or three hundred million dollars required to provide a seaway through the reservoir that will have been created for hydroelectric purposes. That is a lot, but I do not think that scheme is any more venturesome in this day than was the construction 75 years ago of a transcontinental railroad.

The second scheme put forward at the same time was the Canso causeway. The industrial development of central Canada has been more rapid and spectacular than that of the maritime provinces, but I think the portion of the maritime provinces which offers perhaps the best possibilities for large-scale development of natural resources is Cape Breton island. Though a causeway will be a costly undertaking I think it is of national interest to link Cape Breton island to the rest of Canada in such a way that its potentialities can be developed to the fullest extent.

The third project was the South Saskatchewan river project. This is of particular interest to the central prairies, but it is also of interest to the whole of Canada to have Canada developed in such a manner that there will be no depressed areas in this country.

These three projects appear to fill out the picture, because we know what huge developments are taking place in British Columbia; we know what huge developments are taking place in Alberta; we know what developments are in prospect in northern Manitoba for the promotion of which authority was given at the last session of parliament to the Canadian National Railways to construct a line of railway. I think all members of this house realize that these projects, though located in particular areas, are of national importance if they are sound and if we can get evidence reasonable men will accept that they constitute a proper investment of the capital of this country.

I hope this commission will find that the South Saskatchewan project would constitute a proper investment of the amount of capital required to bring it into existence. If it does there will be a commitment by this government, and I am sure there would be a commitment by any government in office, to carry out the project provided there are satisfactory reports that will justify us in saying to the people of Canada, "We think this is sound, and we think the future will demonstrate that this is going to help to maintain our agricultural development in balance with our industrial development."

Our population has increased two and a half times in the last fifty years; from five and a quarter millions it has become 14 millions and is increasing now as rapidly as at any time this century. This means that at

the end of the century there will be no less than 35 million people for whom the country will have to provide agricultural sustenance. That means that agriculture will have to be able to produce from the same areas two or three times as much as it is producing at the present time.

I am sure all those who envisage the future of this country with the confidence which I think our resources warrant would wish to see all sound capital investment made that will do for the generations to come what the investment made by our forefathers have done for us, the Canadians of this year 1952.

Mr. Low: Mr. Chairman, I think this has been the finest debate I have heard in this house on the subject of the South Saskatchewan river project. I was delighted to hear both the leader of the opposition and the right hon. Prime Minister express views on the subject tonight. It seems to me that in their cogent statements can be found great comfort and hope for the people, not only of Saskatchewan but of all Canada, who have been wanting to see this great project completed at the earliest possible time. I want merely to stand as a sort of second witness to some of the things that have been said—not, Mr. Chairman, to take time unnecessarily but because I believe what I have to say will be quite important and quite pertinent to the subject under discussion.

I am glad to see the Minister of Finance here tonight because some of the things I have to say are going to be directed right to him. He is the main person on the treasury board and I want him to pay particular attention to one or two things I shall have to say.

We in the province of Alberta, Mr. Chairman, have proved the value of irrigation in the west. We started in that province as far back as 1889, and I have witnessed in my lifetime what can happen to a farm on that very dry Palliser triangle when water is applied to it. I have also witnessed—and this bears out what the Prime Minister said a moment ago—the development of a small scheme in southern Alberta where the Alberta Railway and Irrigation Company in 1889 built a project at its own expense, settled the area, colonized, developed and eventually practically gave the whole project to the settlers, because they found that settlement and development was contributing so much to their traffic and freight income that it was possible for them to do that very thing.

Mr. Murray (Cariboo): Mr. Chairman, Brigham Young was a hundred years too soon.

[Mr. St. Laurent.]

Mr. Low: You were a hundred years too late. My hon. friend from Cariboo must be feeling pretty good again tonight, but I can appreciate that and I can shake off his remarks.

I also saw the Canadian Pacific Railway develop a project in central Alberta, colonize it and eventually hand it over to the settlers for the sum of $1; and in addition they gave those settlers a considerable sum of money—if I remember correctly it was pushing up to half a million dollars in cash—to help them. finance the works and so on that in time were expected to be completed. If they could do that it simply evidences what the Prime Minister has already said; that the cost of development of these great national projects to strengthen our production can be reaped many times over in the revenue received by the railways, by the federal treasury, and in a good many instances by business concerns.

Now, Mr. Chairman, as I said we have demonstrated all that. Although the province of Alberta has had to carry some pretty heavy costs in the past that was due to the fact that up until comparatively recently there was no such thing as an agreement between the provinces and the dominion for sharing the costs of irrigation. In Alberta the Lethbridge northern irrigation district was formed in 1918 or 1919, if I remember correctly. I recall only too well the history of that project and what it involved. As I remember, it cost them $50 an acre of irrigable land to build the project. That cost was presumed to have been attached to the land itself and the settlers were supposed to be able to pay the capital cost and to make out in time from the profit.

Mr. Laing: Is that the E.I.D.?

Mr. Low: No, that is up in central Alberta. I am speaking about the Lethbridge northern irrigation district in and around the city of Lethbridge.

The government of the province of Alberta had to guarantee the bonds of the Lethbridge northern irrigation district to the full extent of the $50 an acre cost. It was about 1919 or 1920 that they got under way. The bonds were sold under a guarantee of the province; but, Mr. Chairman, in spite of the fact that the land was good, that the system itself was good, that the works were excellent and that the farmers put on the land learned quickly how to use the water, it took a good many years before that project began to return sufficient to the settlers that they could pay off the indebtedness; and then not until the province of Alberta finally took over and assumed the full cost of the project

they had guaranteed. Since that date they have been paying interest on the bonds and paying off the bonds—

Mr. Macdonnell (Greenwood): Would the hon. member permit a question?

Mr. Low: Yes.

Mr. Macdonnell (Greenwood): When did this land come into production and what was the state of prices at that time? Did they come in at a bad year?

Mr. Low: No, the land began to come under ditches in about 1925, if I remember correctly, and that would be in the heyday of the buoyancy of this country. It is the Lethbridge northern I am speaking about; and at that time it was presumed that the total value of the land, including the $50 per acre cost of putting the water on it, would be approximately $100 to $125 an acre. Well, the settlers were presumed to be able to pay the $100 to $125 an acre, but it was demonstrated for at least some years in the hard times that they could not do so. If I remember correctly, about 1933 or 1934 it was necessary for the government of the province to assume the indebtedness against the project and start paying the interest on the bonds themselves.

Now, Mr. Chairman, that project will cost the government of the province of Alberta, before they are finished with it, $11 to $12 million, I believe; but it has proved its value many times over and the province does not regret the dollars they have spent on it. The project has become a wealthy project that is producing in tremendous abundance and does contribute immeasurably to the stability of our province. The Picture Butte sugar refinery is built on that project and is producing something like 100 million pounds of sugar per year. That in itself, together with the auxiliary industries like the feed industry in that area, makes it a very important project indeed.

Now, Mr. Chairman, I am grateful for this. Eventually the federal government came to realize that these irrigation schemes were national development projects, and they are now recognizing that fact more than ever. The Prime Minister informed us of that tonight when speaking of the South Saskatchewan dam. But it has taken some years to come to that point of view, and now in the province of Alberta we have one or two fairly large schemes under way that are based upon a contribution of about 50 per cent federal and 50 per cent provincial money. That is all to the good and we in Alberta are not complaining about it. In fact we are very thankful that the Minister of Agriculture and his associates in the dominion government have seen fit to value those projects highly enough that they will contribute 50 per cent of the cost.

There is just one thing I would like to say by way of encouragement to my friends in Saskatchewan. I want to see Saskatchewan get that project on the South Saskatchewan river as quickly as they can because I know what it will do for their province and for the rest of Canada as a whole. We in the province of Alberta have recognized so fully the value of that project to Saskatchewan and to the west that we have been prepared for some years to share our waters that rise on the eastern slopes of the Rockies in our province. We have already arranged that allocation of water through an agreement made with the federal government in 1948.

Having said that, Mr. Chairman, let me emphasize this important point. I suspect that one of the things that may—I am not saying will but may—hold that project up or delay it, and I am speaking now of the Outlook project for irrigation and power production in Saskatchewan, is that the federal government may insist on an agreement with the province of Saskatchewan on a fifty-fifty cost basis.

While it is perfectly true that in Alberta we have been making out quite successfully under a fifty-fifty arrangement on the Lethbridge southeastern and other projects, we feel that this project in Saskatchewan is not only a national development project but in some respects, Mr. Chairman, a reimbursement project. When I say that I mean that for a good many years Saskatchewan has been shouldering a heavy burden of cost as a consequence of dominion settlement policies prior to 1931 when the resources were handed over to that province. The people of the province were carrying the burden even before it was organized in 1905. I think the hon. member for Lethbridge made that quite clear when he described the Palliser triangle settlement and the problems involved as a consequence of that rather blind policy, as it seemed to me under the circumstances.

I want to declare my conviction that Saskatchewan should not be required to bear half of the cost of the Outlook project as is required under national development projects, some of which we have in Alberta and some of which are elsewhere in this country. I say that for this reason. The Saskatchewan economy simply cannot under present circumstances carry that 50 per cent of the cost. I am convinced of that. Let us look at three important reasons why I say

that. In the first place, remember that Saskatchewan has largely a prairie wheat economy, even today. That has been so ever since Saskatchewan was known; therefore the province carries all the disability of such an economy. It has good years when production is at the very peak, and years when the rainfall is bad, when wind, grasshoppers and drought cause poor crop conditions. At such times the economy of the province can hardly carry the ordinary services of government. I say that is a great disability.

The second reason Saskatchewan could not be expected to carry 50 per cent of the cost of that tremendous scheme, which I understand will be something like $100 million, is that the province is already carrying tremendous burdens by reason of its geography, population and so on. Let me give you one or two illustrations that help explain what I mean. In Saskatchewan today the number of miles of highway the province has to build and maintain per thousand of population is 169. Please note that, 169 miles of highway in Saskatchewan has to be built and maintained per thousand of population. How does that compare with Ontario for example? Ontario has to build and maintain 20 miles of highway per thousand of population. I understand that 38 per cent—I believe that is close to being correct —of all the surveyed roads can be found in Saskatchewan, and there is only 7 per cent of the population. I am getting plenty of help from those around me, Mr. Chairman, and that indicates the importance of this subject.

Mr. Darroch: Do you live in Saskatchewan?

Mr. Low: I am a neighbour of Saskatchewan, and I love those people, just as I love the people of Ontario. I want to see them get along. Saskatchewan, Mr. Chairman, has 850 per cent more miles of highway per thousand people than Ontario, and 400 per cent more than Canada generally. Just think of that for a little while, and then imagine the burden upon the economy of a province with less than 800,000 people. Those figures are correct, and if hon. members will take the time to look them up they will see that is true.

The same sort of illustration is provided by the telephone lines. The miles of telephone wire that have to be maintained per telephone unit in that province is 5 22/100, as compared with Ontario's 4 31/100. The acreage for the province of Saskatchewan compared to the population is 60·4, while in the province of Ontario it is only 6·6. Those figures tell a story; they indicate something of the terrific burden the people of that province do have to carry financially. I could go on and give innumerable examples of the burdens the province has to carry.

Let me point out, Mr. Chairman, a third reason why I feel Saskatchewan cannot possibly be expected to pay 50 per cent of the total cost of the project. There is a comparatively small population in this very large area, and they have a total budget of only $66 million a year to carry all the services for their people, pay interest on their debt, the amortization of the debt itself, and build public works and other projects. This $66 million is about equivalent to $33 million, as of the 1939 value of the dollar. This does not indicate very much in the way of financial resources.

Let us not forget this. If the population of that province is ever to be materially increased, that increase must be stimulated by industrialization and by large irrigation projects such as we are discussing right now. If the Outlook project is built we shall find the population of Saskatchewan going up very quickly, I have no doubt about that. Industrialization will proceed much more quickly than it has in the past.

I have given reasons, Mr. Chairman, why I feel that when it comes time to make a deal with Saskatchewan we ought to take into consideration those facts I have presented. I believe we should not feel that we have established a pattern by asking the province of Saskatchewan to pay 50 per cent of the total cost of the irrigation projects in that province. I think perhaps we have been fortunate in being in a position to carry our 50 per cent. I do not believe we should impose that sort of agreement on the province of Saskatchewan.

I do not want to take too much of the time of the committee tonight, but I did want to present that case because I am genuinely interested in the extension and development of irrigation in this country. I want to see Saskatchewan enjoy the benefits we have enjoyed in Alberta for years, but for which we have paid rather dearly.

Mr. Gardiner: I believe the hon. member for Lethbridge performed a real service for the committee and the country in general by giving two days' notice of this debate. In this house we have a general rule to the effect that anything we want to bring up should have two days' notice. Usually it turns out to be a fair sort of rule, and one that is most helpful. At no time has it been any more helpful than on this occasion. Although it is not just in accordance with the rules, we did have two days' notice of the discussion. The other day the member

for Lethbridge suggested that we have a statement on the larger irrigation projects during this discussion, and at that time I said it should be made on item 45. We have been two days in reaching item 45, and we have had the discussion.

Two things have come out of the discussion which I think are most helpful, not only in connection with this debate but in connection with another very important debate that has been taking place. The first is that at least one member from the province of Saskatchewan is satisfied with his constituency in the redistribution.

Mr. Coldwell: Who is that?

Mr. Gardiner: I think it is the hon. member for Rosetown-Biggar.

Mr. Coldwell: I am happy to have the river in my constituency.

Mr. Gardiner: He expects that the proposed dam, if it is built, will be in about the centre of his constituency. I of course hope that by the time it is built it will not be his constituency; nevertheless it is a good constituency in any case.

In addition to that, I think we have had tonight a fair demonstration of the advantage of not being in too much of a hurry. I have stated before in the house that I have been attempting to promote the South Saskatchewan river dam for the greater part of ten years now. The only objection I make to the statements that are referred to here from time to time in connection with speeches I have made is this. I do not object to anyone saying that the speeches have been eloquent, though I have not tried to make them eloquent. I do not object to anyone demonstrating that he remembers the speeches after they have been made. I certainly object, however, to anyone adding a little bit to them and saying I have ever promised anything in connection with them.

Those with whom I have been dealing, both in Alberta and in Saskatchewan, in connection with irrigation will, I think, be the first to say that I have never promised anything. I have continuously worked along with them to try to get everyone to the point where there will be acceptance of what we are proposing, and then to have it done. I have done my best at all times to promote the idea that the South Saskatchewan river dam is something that is worth while and ought to be constructed. I agree with those who have said that it was demonstrated about two years ago—perhaps it is a little more than two years ago—that the dam could be built with safety to Saskatoon and other areas, and it was in explaining that it has been well established that the question was discussed in Saskatoon recently.

No later than during the last two months the final conclusions were reached in connection with that matter, through discussions which took place with some of the foremost engineers. Those discussions took place in Washington. The engineers were gathered from various points in the United States. What I agreed to do the other day was give a short outline of what we call the larger irrigation projects in western Canada.

Mr. Coldwell: As to that meeting in Washington the other day, has a report been issued? Is it available?

Mr. Gardiner: I am coming back to that matter in a minute or two. First, I want to cover the four projects.

Mr. Coldwell: All right.

Mr. Gardiner: What I agreed to do the other day was give a short outline of what we call the large irrigation projects in western Canada. About nine or ten years ago we started out to make a systematic survey of the water projects in the west, and more particularly those associated with the Saskatchewan river system. Out of those investigations we developed four projects, three of them in Alberta and one in Saskatchewan. The one in Alberta that has had the greatest amount of publicity has been the St. Mary dam project. Behind the St. Mary dam is another one known as the Waterton dam which is still to be constructed and which we must construct if we are going to have made available a sufficient amount of water for the other projects which are being discussed from time to time in western Canada. We have already undertaken that that is a part of that project, when completed, and is associated with the international relationships in connection with water.

The St. Mary dam itself has been built at a cost of about $12 million, in round figures, with connecting ditches between that and the storages all through the area that is to be irrigated. The province has undertaken to arrange for the expenditure of a similar amount of money to complete the ditches and storages throughout what is known as the irrigation district. That irrigation district extends roughly from the neighbourhood of Taber, I think, on toward Medicine Hat. The result of the operations, when completed, will be that some 500,000 acres of land, or something approaching that figure, will be under irrigation.

One has only to travel from Medicine Hat to Lethbridge, either by air or by car, at this time of year in order to realize just what

that irrigation has meant up until now. One passes over a road allowance near Taber, and one would think that one is in an entirely different country or in an entirely different area. The growth is great. The industry in the towns and villages is far more than comparable with that which can be found in some of the areas farther south where rainfall makes possible similar development. If one flies over it, one is moved to the conclusion that at least three times as many people live where the irrigation is as live where there is no irrigation.

An hon. Member: That is right.

Mr. Gardiner: To fly over the farm homes and villages in that area makes one feel that even the one-third of the people who are in the less densely populated area are too many for that area. They are not living under conditions which people should be living under. Immediately water is put on the land these people benefit to an extent that one who has not seen it can scarcely realize. I only want to say that much with regard to the matter in order to emphasize the fact that it is a good thing for a country to be irrigated, irrespective of what the cost may be.

As has been suggested, the general cost of getting that land under water is something over $50. It is about $54. It stands to reason that the farmer who is going to live on the land is not in a position to pay that cost in addition to paying for the land, and for those other costs of operation, and paying taxation in connection with the building of roads and all that kind of thing. He is just not in a position to do that. It has therefore been thought that some authority ought to take some responsibility for it.

Some years ago—back in 1941 or 1942, I think it was—we had a report made. It was called the Meek report. That report was compiled by five or six individuals, some of whom were engineers. A few moments ago the hon. member for Rosetown-Biggar suggested that he was somewhat at a loss to know why the men who had been selected to be on the committee which is now investigating should have been chosen. This is all I am going to say about it at the moment; I will say a little more about it later.

One of the men, namely Mr. Gaherty, was on that committee. He was one of those who reported in favour of the irrigation schemes that are being developed or that are being talked about out in western Canada. He therefore has had experience which is of some value. There is not much need for discussing the St. Mary project any further than that. We have spent about $12 million on it. The province is in the process of spending about an equal amount in order to get water on the land that is now being irrigated through the building of the St. Mary dam, and it will be necessary to spend another few million in order to put in the Waterton dam in order to provide further waters for utilization through that system.

The next system that has been under consideration is the Bow river. That is an old project which was started through the investment of British capital. Some $13 million were spent by a British company in order to start irrigation in that country. They started out with the idea that they could make the farmers pay all the money back. At one time they thought they could get them to pay $75 an acre. They realized before very long that they were just driving people off the land by attempting that. Later on they reduced it to the neighbourhood of $50 an acre, and still it was too much. Finally they got it down to $27 an acre, and I think they are still asking them to pay $27.

My opinion is that prior to the war it was impossible for these farmers to pay $27 an acre. None of them was clearing his land. But the last time I was there and discussed it with them about half had their land absolutely clear as a result of the fact that we have had high prices and high production during the war period and since. But even when one went there three or four years ago and took a look at that area one was disappointed. When one compared that with what one would see down around Taber and in that country one was disappointed, because the surroundings of the homes were not very much better than they were out on the dry lands of the prairie country. The reason was that too much was being taken out of the persons who were living on the land, and they were not able to maintain their homes in the way they should be maintained.

To make a long story short, the government decided to buy out the interest of those who had been in the project before. We paid $2,225,000 for it, and we are improving the ditches. We are now developing or levelling the lands and making it possible for people to settle on some 40,000 acres more in that area; and we are bringing the people to settle on it from the lands that we are developing into pastures elsewhere, in order to take them off dry land.

That development is going along and I do not need to say any more about it than that we had financial arrangement from the beginning with the Alberta governments with whom we started to make agreements; and it is written into our correspondence in connection with those agreements that we would

develop first the St. Mary project; that is, we would put in the storages in the St. Mary project; that we would adopt the same method and develop the Canada Land and Irrigation or the Bow river project. I should say before leaving that, that associated with it are some lands that the province is developing, as well as the lands which we are developing, and the number of people who will be served by that is much greater than the number we are placing on the land.

Well, then, there is the third project in the province of Alberta that has been fully investigated, and that we would be in a position to proceed with at any time if it were once determined that those projects are going to be gone ahead with; that is the Red Deer project. The lands that we are concerned with are largely around Hanna. Some 400,000 or 500,000 acres of land in that project could be irrigated. I am not going into the details as to how it could be done. Dams would have to be built; siphons would have to be built; ditches would have to be dug in order to take the water down closer to the area, and the costs could be on about the same basis as they are down in the St. Mary area. The costs there work out at about 50 per cent by the province and about 50 per cent by the federal government if we once undertake to go ahead with the project in co-operation with the provincial government. The costs of that project would be considerably less than the St. Mary dam project.

There is one difficulty about the discussion of the question recently, and it is that some of those who have been discussing the matter, and some of those who have been placing it before this commission that has been sitting have again started to discuss the old Pearce scheme of years ago. That was a scheme I heard discussed when I became a minister seventeen years ago and went to Hanna. At a public meeting that was being held that scheme was still being talked about. That scheme envisages the digging of an open ditch from Hanna to Saskatoon, about 500 miles long, through country much of which is sandy, where there would be great leakage of water from the ditch out over the areas, and where the costs of getting the water down there would be very great.

To make a long story short, at that meeting the engineers who were present convinced themselves and convinced everyone there that we should drop the idea of the Pearce scheme, of this ditch running all the way to Saskatoon and irrigating not only 500,000 acres of land at Hanna but some million acres of land between that and Saskatoon, including the lands now spoken of in connection with the South Saskatchewan river. But unfortunately a few parties have started talking about that project all over again, and putting it forward as something that would get better results than putting in the South Saskatchewan river project. I want to say that so far as I am concerned, and so far as the people of western Canada are concerned, I think we were convinced long ago that that was not a project which was feasible. They are still convinced of that, and are not asking the government here or the government of Saskatchewan to proceed with a project of that kind. Therefore I suggest we are pretty well convinced that the Red Deer project could be carried out. It is a possibility, and the expenditure there is not sufficiently high to warrant anyone saying there is any question about it from any point of view except irrigation; that from the irrigation point of view it is as feasible a scheme as the St. Mary or the Bow river project.

The South Saskatchewan is in a different class. In the first place it is much more costly. We are talking about $25 million in the St. Mary; we are talking about $12 million or $15 million in the Bow river; we are talking about a similar amount on the Red Deer. But when you come to the South Saskatchewan project it is at least $103 million. There is some question as to whether it can be done at the present time for $103 million. In 1947 it was estimated by engineers that it could be done for $103 million. Some people say it could not be done for that now. In any case, it would take ten years to construct. One cannot be sure whether costs will be up or down over the ten years, but in any event it will cost at least $103 million, and that is a lot of money.

It has been suggested that we have the wrong type of individuals on the commission that is investigating the whole matter. It has been suggested also that probably it was not necessary to investigate the whole matter. I should like to say that I am fairly well convinced—I am convinced—that the dam can be built. I am convinced that the engineers we have developed over the years in connection with this kind of work are the best engineers in Canada at least, the best engineers that can be found anywhere to deal with water development. As a matter of fact I think they are the only engineers that have the ability, because of their experience and training, either to examine into or to give a final answer to the question whether a dam can be built and what the results of building a dam would be in so far as that area is concerned. But we were not satisfied to rely upon these men, and so we went down to the United States

and got three of the best engineers that are known, one of them being Mr. Ferguson, who was associated with the building of large dams down there, and associated with the army throughout the war. Another was a professor at Harvard university, who is the best authority in the United States on such matters. Another was an engineer in the city of Chicago, who has been associated with these larger projects. We got the opinions of those men two years ago with regard to the feasibility of the dam, and there was not any question about their opinions. There was no question in their minds. Well, it was those men who were approached in Washington a short time ago, and they have again given opinions just as strong as or stronger than they gave two years ago; and their opinions of two years ago are on the record.

It has been said that we ought to have a different type of men on the commission. I would just like to say that men are not as easily got at the present time as they were some years ago. Some people wondered why it took us so long to get the commission set up. We tried to get—and when I say "we" I mean the government did—four of the top-notch engineers in the United States and, one at a time, offered to appoint them. The first of those who were recommended did not find it possible to take it on. Then when that one did not find it possible to do it, he recommended still another one, until we had been in touch with the four of them.

It took some considerable time to give these men the opportunity to determine whether or not they would take the position. Finally they all turned it down. They said they had other work which was taking up all their time, and for that reason they could not take on this work. So eventually we got back to using Canadian engineers, in so far as the power end of it was concerned. So we have two men. And, as has been said by others, one of them became sick early in the year. He had two or three operations and was not able to get back on the job until April. So that accounts for some of the delay.

Mr. Coldwell: Is he back on the job now?

Mr. Gardiner: Yes, and he has been back since April. That, as I say, accounts for some of the delay. But may I say that what we have heard tonight is an indication that that time was not wasted. I think the leader of the opposition will be the first to agree that when he went out west at first, after having been chosen leader of his party, he stated to the press that he was not informed with regard to the matter, and on that occasion he did not discuss it very freely. He went back later and became better acquainted with it, and on that occasion discussed it more freely.

More recently he has been stating quite openly that he is in favour of the construction of that dam. Others have taken a similar position; some had taken it before, and some have taken it since. But the most hopeful fact of all was what the Prime Minister said tonight. I think if hon. members will go back over the story they will realize that was not a new sentiment expressed by the Prime Minister. Before he became Prime Minister he expressed exactly the same opinion with regard to the St. Lawrence and related to it the South Saskatchewan river project, as he did tonight. He expressed that opinion in the city of Quebec, I believe it was, a year or two before he became Prime Minister. Since that time, on every occasion he has discussed the question he has shown sympathy with the idea.

But at the same time, being at the head of the government of the country, and the one who must take the responsibility eventually for any expenditures made, he has taken the position that we ought to remove any doubt with regard to the matter, if it can possibly be removed, before undertaking the project itself. I have not been inclined to hurry the Prime Minister or to hurry other members of the government, as they will agree. I have been inclined to say that I am still convinced myself that the project is a good project; I am still convinced that it would be one of the most helpful things for the people of Saskatchewan that could possibly be done by this government; and, through the people of Saskatchewan, also most helpful to the people of all Canada.

At the same time I must admit that what the Prime Minister said tonight was that some question had been raised as to whether the most feasible way of developing power is by developing it from water. That idea was not raised by our engineers; it was raised by an engineer engaged by the provincial government; and let me say that I am not criticizing them for engaging him. We get all the information we can in all these matters. Nevertheless he did raise the question whether the power could not be developed more cheaply from coal than through the damming up of these waters. He even raised the question of gas, too, which arose from the fact that gas was found in the neighbourhood of Rosetown, and it was thought possible even at the time he was making his report that that might be a possibility. Gas has been found there, and it has been suggested that it might be used for the purpose.

But what those of us who are in favour of the dam have been saying persistently and consistently is that it does not make any difference how you get the power; it does not make any difference whether you have power from the water that is there, or whether you have power from coal, or whether you have power from gas, or whether you get all the power you require from oil. The fact is that the power is not any good in that country unless you get water first. There has to be water before there can be any industry. It does not matter whether there is power or not. You cannot put industry in an area where there is no possibility of having a water supply. That would be not only for the purpose of developing power, but for the purpose of supplying water for all the uses to which water would be put in industry.

So we have always contended that the lake must be there. After that we have said power can be developed from that lake, and that the development of the power itself could be charged up to the land that is going to be irrigated. What the report actually does say is that if you charge the proper amount of the cost up to the power that will be developed, then the cost that will be charged against the irrigated land is almost exactly the same as the cost that is charged up in the Lethbridge area, and that is about $54 an acre. So the contention is that the dam should be built and the power should be developed. One of the reasons for having on the committee men who are associated with the development of power is to satisfy everyone that that is a possibility.

When you have satisfied them that it is a possibility, there is still one other question. Is the development of industry which would be associated with the development of power and the finding of gas, and everything else associated with it that is made possible by having a lake in the middle of the area, something that is worth while for the people of this country? I must say that is one feature which the Prime Minister emphasized tonight. He hoped the result of the investigation would be such that we could all come to the conclusion that that is a fact, that the putting of a dam there and the making of a lake 145 miles long and 180 feet deep in the middle of an area short of water practically all the year round, and one year after the other. would be helpful to the whole of the Dominion of Canada. Once convinced of that, then he has suggested to us that there would not be any question, no matter what government is in power, as to whether that project would be proceeded with.

So I say the time has been well taken, first by the hon. member for Lethbridge bringing up the question at the beginning of the debate and, secondly, through the discussion we have had tonight. I think the time has been well taken, too, in having the question so carefully looked into. I am not sure that I want to hurry the commissioners; I am not sure what they would say if they were hurried too much. I want the commissioners before they report to have all the facts in front of them and to have the views of people right across Canada as to what they think about it. To hear men talking as they have talked here tonight, saying that other parts of Canada are just as much concerned with having this dam built as we in Saskatchewan, is worth all the waiting anyone has done. The more they keep on saying it, the better it will be. I remember when Mr. MacNicol used to sit over there. He never let a session go by without hammering into all of us that the most important thing to do in so far as the west was concerned was to utilize every drop of water that could be obtained in this country. It is nice to know that after he has gone there are others who are taking up the cudgels and saying the same thing.

Some suggestion was made in the editorial read a while ago that I may have said in Saskatoon that the reason we have delayed is the expenditures upon defence. The reason I did not say that was that I did not think it was true. That is not the reason there was delay. No one has ever said to me that is the reason why there was delay in connection with this. The suggestion has been that we want to be absolutely certain, first that the dam could be put there and kept there, which I think is pretty clearly established now; and second, that when it was put there the water would be utilized for irrigation purposes by the farmers who were on the land in that area. When we know that situation exists we will hope the project will be a good thing for all Canada.

Something has been said with regard to what the department has done in connection with an experimental farm. There is a small quarter section farm near where the dam will be which has been demonstrating what irrigation can do. I do not place as much importance upon that as do some who have spoken. It has been known for a long time that if you can put water on the land in western Canada it will grow more than any other land I know of in the world and in a shorter period of time. If we did pump water and distribute it on the land with sprays it was more to indicate to the people the methods they will have to follow if

irrigation is brought in. They would then know in advance what they would have to do and be ready to go ahead immediately the project was under way. I am quite sure the discussion which has taken place will be helpful, and I hope that what has been said tonight will give some encouragement to those who have been hoping for the completion of this project.

Mr. Quelch: Mr. Chairman, I was somewhat surprised to hear the minister say that certain people in Alberta are advocating the Pearce scheme in the place of the Red Deer project. That certainly is not the desire of the people in the Hanna area.

Mr. Gardiner: I did not use the term "Alberta". I said some people out west. I was not thinking in terms of Alberta.

Mr. Quelch: I am glad to hear the minister say that, because I would not like any confusion to arise. The people in the area around Hanna are still strongly behind the Red Deer diversion project. One reason for that is that they realize there is a great deal of opposition to the original project known as the William Pearce project which later became known as the North Saskatchewan project. As the minister has pointed out, that was a very ambitious project. It meant carrying water by canals to Saskatchewan where one million acres would have been irrigated, with half a million acres in Alberta. The cost would have been around $100 million. The project would have required the diversion of water from the North Saskatchewan river to the Red Deer river. A great deal of opposition arose to the proposal to divert that water.

When I was in Hanna several years ago I suggested that it would be better if they would adopt a modified project which would utilize the waters of the Red Deer alone. The Red Deer diversion project provides for the diverting of water from the Red Deer river by means of a canal to the Hanna area where approximately half a million acres would be irrigated. That would probably be one of the cheapest projects per acre of any in Alberta because it would cost only in the neighbourhood of $15 million and would, as I say, irrigate half a million acres.

The Alberta government are strongly behind this project. I am not going to say what perhaps has been said with regard to certain other projects, that the minister has played politics with this. During the last election he was quite frank when he spoke at Hanna. He told them that regardless of what the election might bring forth it was the intention of the federal government to proceed with the program that had been outlined. I very much appreciate the fact that he made that clear. Since that time the federal government has spent a good deal of money on engineering details with regard to the project and also on the actual construction of dams on Berry creek and Sounding creek.

However, these dams are dependent upon the run-off of surface water. Some years water accumulates behind the dams and other years no water runs off at all. When the Red Deer diversion project is completed water will be diverted from the Red Deer river down to Berry creek and Sounding creek. In other words these lesser projects will become part and parcel of the major project. I know that in the past it has been said that the area around Hanna is submarginal, but I think what has happened in the last few years has proved that it is good land. All it needs is water. During the past two years when we have had good rains the crops have ranged from 30 to 40 bushels per acre. All the land needs is water in order to produce heavy crops.

In addition the project will flood 1,200 miles of creeks which are dry, at the present time, and will help provide for the watering of stock being carried in that area. As I say, the people in that area appreciate what has been done, but they are becoming quite anxious as to the exact intentions of the government in regard to the project. As has been mentioned, the project originated back in 1922. It has been modified several times, and people have been hoping ever since that time that they would get irrigation. All they have so far is the number of small dams on Berry creek and Sounding creek. The minister has made it clear, however, that when the St. Mary river and Bow river projects have been completed the federal government, in co-operation with the provincial government, will be ready to go ahead with the Red Deer diversion. I was glad to hear him mention these projects in that way today.

I realize some people may fear that Alberta will take more than its share of the water from the rivers that flow down from the Rocky mountains and that perhaps not sufficient water will be left for irrigation in Saskatchewan and Manitoba. I understand, however, that a good deal of thought has been given to diverting rivers that flow into the Arctic to have them flow into Hudson bay. I have here a publication put out by the Alberta government entitled "Within our Borders" which reads:

Four rivers could be diverted into North Saskatchewan.

Plan of water resources office envisages diversion from Arctic watershed to compensate for irrigation drain on South Saskatchewan.

Water destined by nature to flow into the Arctic ocean may some day find itself in the Hudson's bay if a plan drafted by the water resources office is put into effect.

In a report entitled "Possible diversion from the Arctic watershed to the Saskatchewan (Hudson's bay) drainage basin," a plan is presented whereby the McLeod, Pembina, Lobstick and Wolf rivers would be diverted into the North Saskatchewan river.

Of course if that is carried out there will be no difficulty about a shortage of water, because that would provide ample water for the completion of the various projects contemplated in Alberta, and for any projects that may be contemplated in Saskatchewan or any other parts of the country. So, as I say, I was very glad to hear the minister mention that these projects were still being actively contemplated, and I hope it will not be too long before actual construction will be started on the Red Deer project.

Mr. Hodgson: I would like to ask the minister if there is going to be something doing in this project this year in the way of the commission sitting. I see in the estimates of the privy council an amount of $70,000 for that very thing.

Mr. Gardiner: Seven million dollars.

Mr. Abbott: No, $70,000.

Mr. Gardiner: That is just for the commission costs.

Mr. Hodgson: It was not in last year but it is in this year, and I wondered whether they were going to start sitting on this project.

Mr. Gardiner: The amounts were not paid in this department last year, but we are providing for the payment this year.

Mr. Blackmore: Just before the item carries I should like to thank the minister for the excellent review he has given of the whole system of irrigation projects and their resulting use which will benefit the whole country. The dominion government is to be highly commended for this attack on the Palliser triangle, which is Canada's problem.

I think there might be just one point which should be emphasized finally and it is this. In my opening remarks I said and the member for Peace River said that we in Canada could not escape the fact that settlement of the Palliser triangle between 1900 and 1915 by the federal authorities then in charge of Canada incurred for Canada as a whole a responsibility to the provinces or to the administrations that were going to be under the necessity of assuming responsibility for the administration of the local affairs of the provinces that were to be formed from that area.

May I just review what I said the other day. It was well known from the days of Captain John Palliser in 1857 to 1860, by everyone who had a right to claim to be well informed, that the Palliser triangle area was not suitable for settlement by people intending to farm. It was acceptable only as ranching country where herds could be moved from place to place. For people who were settling down to live on the land it was absolutely unsuitable because of the altogether unpredictable nature of the rainfall in that area. Notwithstanding that, Mr. Chairman, those in parliament then advocated bringing in settlers and placing them in that area.

What was the reason for wanting settlers there? There were three reasons. The first was that the settlers would buy goods many of which would be brought in from the United States and on which they would pay duty, that duty constituting revenue for the federal government at Ottawa. Second, those people on the land would buy goods that would be produced in eastern Canada, and consequently they would provide a market for the goods of eastern Canada. Third, the bringing of those goods from eastern Canada would give the railroads business.

Although I have not the quotations before me, and I do not think it would be fitting at this late hour to read them, it is quite clear and it can easily be shown from the *Hansard* record of those days that those were the objects which were in the minds of the men who instituted the immigration policies under which settlers were placed in that area. Obviously then the main consideration in the minds of those men was the well-being of central Canada. I am not laying any blame on anybody, and I believe those men were wise notwithstanding the ultimate cost of the policies to the provinces concerned, but is it not about time to make up to the provinces that came to have the responsibility of governing those areas, the losses inflicted on them thereby?

There is one other thing. Really there are many things, but I do not wish to hold the house up long. The one thing is that I am very anxious that the people of Canada should get to realize from those of us who have grown up there what the facts are. Other members of the house have a right to look to us for information about that area, just as we have a right to look to the hon. member for Charlotte and the other splendid people from the maritimes for information about those provinces. If we do not tell them we are remiss in our duty.

So let me point this out. When the time came for the building of the Canadian Pacific Railway across the nation, the obvious place to run the railway would have been up through what we call the "good" areas in the north; the bushland, where crops are almost certainly assured. That route was shorter; that route was bound to be more profitable; yet it was deemed advisable to run the C.P.R. down along the southern border where it now is, right through this Palliser triangle where there would only be a meagre opportunity for the C.P.R. to make a profitable business out of its activities. Well, what was the result? The tendency was to bring the settlement in the prairie provinces down into that Palliser triangle. Once the settlers were there, there was a responsibility for providing them with roads, schools, and all manner of social services. That responsibility had to be assumed by the provincial governments. It had to be assumed in areas where there was likely to be a crop failure any year. It was wise to run the railway down along the southern portion. Why? Because the United States railways were beginning to show a disposition to tap into Canada with their lines. Manifestly that was not in the best interests of Canada nationally. But let us remember the fact that the railroad was put there and it indirectly placed an additional financial responsibility of considerable magnitude on the provinces of Saskatchewan and Alberta. Now when we contemplate the cost of building this dam and who is going to pay it, shall we say that we should require those provinces, and Saskatchewan in particular, to pay the full half of the cost of installing that dam? Can we look upon that as being equitable? I fail to see how we can.

There is another important matter, Mr. Chairman, that has a bearing on this whole thing. When the time came for the C.P.R. to be paid for building the railroad across Canada, paid with gifts of land, where was the land selected? It was selected in such a way that it scattered the population of Saskatchewan and Alberta all over these areas making it much more expensive to build roads to serve the people, to build telephone lines, to provide school facilities, and later much more expensive to provide health facilities. These two provinces, Saskatchewan and Alberta, have found it necessary for example to establish travelling clinics to bring medical aid to the people in more remote areas of the provinces. All those things have constituted a tremendous disproportionate financial drain on the resources of those two provinces. Alberta by good fortune, because of the resources she has, has been placed in a better position financially than Saskatchewan. In my judgment Saskatchewan has done the very best she could with the resources at her disposal. The Minister of Agriculture knows, better than any other person in Canada, how meagre those financial resources are compared with the tremendous responsibilities that rest upon the government of Saskatchewan. I believe the minister will bear me out in that.

I thought it well to make those three or four comments before closing, just to reinforce what the hon. member for Peace River said. I shall back the member for Peace River every inch of the way. I too do not believe that it is in any degree fair to the people of Saskatchewan to ask them to assume half the cost of building this great irrigation project.

I should like also to express appreciation to all the members who have participated in this debate. I believe that as a result of this debate it will be made easier for the minister to get the support from all over Canada which he ought to have. As a result of bringing together the support from all of Canada, we shall be able to get this great project completed at an early date and put what we might call the capstone on these irrigation projects as well. This would show our intention, as a nation, to reimburse to some extent at least the people who have settled in that area of the Palliser triangle.

Item agreed to.

47. Land protection, reclamation and development in British Columbia under such terms and conditions as may be approved by the governor in council, $184,996.

Mr. Fulton: On item 47 I should like to ask the minister if he would answer today a question I asked him yesterday with respect to the possibility of extending to British Columbia the prairie farm rehabilitation administration, on a basis which would make it of general application to the province. Yesterday we reviewed briefly some of the earlier discussions, and the minister said it had been in his mind for a number of years to introduce legislation which would have that effect but that for various reasons it had been postponed from time to time. I asked him yesterday if he would give us a word about the relationship between the priority that must be given to defence requirements, and the possibility of introducing legislation.

In passing the minister referred to a very similar situation tonight when he mentioned an editorial which apparently alleged that the reason for deferring the Saskatchewan river project was because of the greater priority of defence requirements. They are obviously closely related subjects, and I

wonder if the minister could give us a general word on that aspect of it.

Mr. Gardiner: There have been two reasons why the suggestion has been postponed from time to time. One had to do with provincial financial arrangements, and the other had to do with defence expenditures. It has not been considered wise to proceed with larger expenditure relationships with the provinces at this time. The idea has not been turned down; it has been postponed for discussion later.

Mr. Fulton: There are one or two particular questions I should like to ask the minister with respect to British Columbia, just before leaving the general subject. As the minister knows, British Columbia in general has a great interest in the development within the Fraser river system of a general program of flood control, irrigation and power development. I refer again, merely in a general way, to the study which is now going forward there, and which I believe is under the over-all supervision of the Minister of Public Works. Prairie farm rehabilitation engineers are taking part in the study, so I should like to ask the minister whether it is contemplated that eventually that administration will take over the federal side of whatever project may be put forward. It seems to me it is very much the same sort of thing that is contemplated with respect to the South Saskatchewan, though if I may take the liberty of saying so I think the potentialities in that area are as great as if not greater than the other.

Mr. Gardiner: The proposal that is to be made is one, of course, which would have to wait for legislation such as that to which I referred. Under the constitution as it is now the responsibility is upon the province, whether it is British Columbia or any other province, for that kind of thing. Until we have legislation covering it, it is not likely that we would go into the province and take part in that development. The Department of Public Works put up the diking, and it is not the usual thing to expect to have both diking and irrigation in the same area. The Fraser river valley is fairly well watered. It is perhaps the highest rainfall area we have in any section of Canada. Talk of irrigation in that same district is rather difficult to promote here.

Mr. Fulton: Evidently I have not made myself clear to the minister. The Fraser river, as he knows, goes through two entirely different areas. In the interior or dry belt area where the problem is irrigation, the river is confined to a narrow channel with large areas containing many thousands of acres of bench lands anywhere from 100 to perhaps 400 feet above the actual river itself. The problem is raising the water by pumping, which requires the cheap power to which I have referred, so the water can be used to irrigate the bench lands in the upper stretches of the river and its tributaries, the Thompson and various other rivers. The farm lands or flat lands to which the minister has referred are found only in the lower reaches of the Fraser. My question is related to the study which is going forward under an organization known as the dominion-provincial board, Fraser river basin, which is surveying the whole stream and studying the possibilities of a joint power, irrigation and flood control project.

What I wanted to know was, what is the real interest of the prairie farm rehabilitation people in that work? They have engineers who are participating in that study. I have expressed the hope, and I repeat it here now, that eventually a real impetus would be given to working out a project which would provide for the three things, power development, flood control and irrigation. I am asking the minister whether there is any concrete proposal or program in his mind or the mind of the prairie farm rehabilitation administration in that regard?

Mr. Abbott: Eleven o'clock.

Mr. Fulton: If the minister desires, he can answer that on Monday.

Mr. Gardiner: This item is for a small amount. It is not nearly large enough to cover any such proposal as is made. This small amount is being used in an experimental way. We are going into certain valleys and doing certain works with regard to rather small projects, but if we were going to do anything as extensive as is suggested in the remarks made there would have to be a much larger vote than this. So I say that, irrespective of what investigation we make into the possibilities at present, I think that kind of development—that is, any larger development—would have to await other legislation which would cover not only that area but British Columbia and other provinces as well.

The Chairman: Shall this item carry?

Some hon. Members: Carried.

Mr. Fulton: Mr. Chairman, I had one or two other questions to ask.

The Chairman: Shall I report progress and ask leave to sit again?

Some hon. Members: Yes.

Item stands.

Progress reported.

Business of the House

REDISTRIBUTION

TABLING OF FOURTH AND FIFTH REPORTS OF SPECIAL COMMITTEE

Mr. Fernand Viau (St. Boniface): Mr. Speaker, may I revert to motions in order to table the fourth and fifth reports of the special committee appointed to consider the results of the census of 1951 and the readjustment of the representation in the House of Commons?

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): On Monday as the first item we will take up Bill No. 393, to readjust the representation in the House of Commons.

Mr. Fleming: Period.

Mr. Fournier (Hull): Then we will consider the estimates.

Mr. Cardiff: Not on Monday; not as long as I am here.

Mr. Fournier (Hull): We shall start with post office estimates and then take agriculture, national revenue and the balance of the items.

Mr. Drew: Just so hon. members may make their arrangements accordingly, what is the government planning with regard to July 1?

An hon. Member: Work.

Mr. Fournier (Hull): Adjourning at 11 o'clock, I suppose. This is for Monday.

Mr. Drew: I know. But what about July 1?

Mr. Fournier (Hull): Oh, July 1?

Mr. Fleming: You have heard of that day, I suppose?

Mr. Fournier (Hull): I thought we would adjourn for good Monday night.

An hon. Member: Oh, no.

Mr. Fournier (Hull): If we do not, we shall continue to sit on Dominion day. That will be one way of celebrating the day.

Mr. Drew: I asked the question having regard to the fact that I believe a number of members may perhaps be making arrangements with regard to the official garden party.

Mr. Fournier (Hull): The intention was to sit on July 1.

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

[The following items were passed in committee of supply]:

DEPARTMENT OF AGRICULTURE

39. To provide for quality premiums on high grade hog carcasses and administration costs, $6,224,590.

Special—

40. Agricultural products board administration, $10,000.

41. To provide for assistance to encourage the improvement of cheese and cheese factories, $1,000,000.

42. To provide assistance for the replacement of maple production equipment, $500,000.

43. For assistance in construction of potato warehouses under terms and conditions to be approved by the governor in council, $50,000.

44. Prairie Farm Rehabilitation Act and water storage, $3,249,270.

45. Major irrigation and reclamation projects in the prairie provinces, $7,064,630.

46. Prairie Farm Assistance Act administration, $528,744.

HOUSE OF COMMONS

Monday, June 30, 1952

The house met at eleven o'clock.

QUESTIONS

SUBSIDIES TO NEW BRUNSWICK POTATO GROWERS

Mr. Dube:

1. What subsidy was paid to potato growers in the province of New Brunswick, during the year 1951?
2. What are the names and addresses of those receiving such subsidy, and how much was paid to each of them?

Mr. McCubbin:

1. The following payments were made to the New Brunswick potato marketing board during the year 1951 for the benefit of potato growers in New Brunswick:

Agreement under Agricultural Products Co-operative Marketing Act $34,403.24; Payment under the Agricultural Prices Support Act $150,396.66.

2. Payment of above amounts was made to the New Brunswick potato marketing board for distribution to individual shippers in accordance with the basis of agreement. No record of names and addresses of individual shippers is available in departmental files.

NORMANDIN AND MISTASSINI, QUE.—POST OFFICES

Mr. Spence:

1. Are arrangements being made by the Department of Public Works to construct post offices at Normandin and Mistassini, Quebec?
2. If so, when will each of these projects be carried out?

Mr. Fournier (Hull): May I answer this question orally? The answer to the first part is that we are considering these projects as we consider all requests for public buildings in the country.

The answer to the second part is that the answer to No. 1 would apply.

INCREASES IN OLD AGE PENSIONS, 1947 AND 1949

Mr. Lafontaine:

Were the increases in old age pensions in 1947 and 1949 granted as a result of representations made by the government of the province of Quebec?

Mr. McCusker: No. The increases in old age pensions from $25 to $30 in 1947, and $30 to $40 in 1949, were granted as a result of action taken by the parliament of Canada to amend the federal Old Age Pensions Act. Following the passage by the parliament of Canada of legislation authorizing these increases in pension, the government of the province of Quebec together with the other provinces of Canada accepted the offer contained in the federal legislation, and put into effect the increases authorized by the amending federal law.

The government of the province of Quebec was notified in advance of the federal government's intention to introduce these amendments in 1947 and 1949, but at no time were representations received from the government of the province of Quebec that the amount of pension should be increased.

QUESTIONS PASSED AS ORDERS FOR RETURNS

LACHAPELLE AND COURNOYER—FEDERAL WORK

Mr. Spence:

1. Has any work been awarded to Lachapelle and Cournoyer, contractors at Sorel, since 1946, by any department of the federal government?
2. If so (a) by what departments; (b) in what localities; (c) for what amount; (d) in what year?

LUDGER COURNOYER

Mr. Spence:

1. Has work been awarded by any department of the federal government to Mr. Ludger Cournoyer, of Sorel, since 1946?
2. If so (a) by what departments; (b) in what localities; (c) for what amount; (d) in what year?

LUCIEN LACHAPELLE

Mr. Spence:

1. Has work been awarded by any department of the federal government to Mr. Lucien Lachapelle, of Sorel, since 1946?
2. If so (a) by what departments; (b) in what localities; (c) for what amount; (d) in what year?

BUSINESS OF THE HOUSE

QUESTIONS REMAINING ON ORDER PAPER—ORDERS FOR RETURNS

Mr. George A. Drew (Leader of the Opposition): Before you proceed with notices of motions, Mr. Speaker, may I point out that the first five questions on the order paper all affect the Department of National Defence, and they have been standing on the order paper for some time. I feel sure that if any real effort were made to obtain the information those questions could all be answered tomorrow morning.

Questions

Hon. Alphonse Fournier (Minister of Public Works): On Friday, Mr. Speaker, I undertook to consult with my colleagues about changing those questions into orders for returns. We had no cabinet meeting on Saturday, so I shall submit this request to my colleagues today. As to the others, there are not many left on the order paper. We shall give an answer tomorrow, although I do not think questions come up before Wednesday. I understand that we shall be sitting on Wednesday because on Saturday night an hon. member in the opposition said we would be sitting indefinitely while he was here.

Mr. Drew: If the hon. member is not a resident of Ottawa, I should think we would be sitting while he is here. What I am pointing out, Mr. Speaker, is that the first five questions which have been directed to the Department of National Defence are questions which should be answered. My proposal is that any questions unanswered when we adjourn should be made orders for returns, and it simply applied to those questions which, for one reason or another, could not be answered. I am satisfied these five questions could be answered, because they all relate to ordinary matters of record and have been before the department for some time.

Mr. Wright: I think the same thing applies to question No. 7 under my name on the order paper. It is a simple question. It should be a matter of record. I would ask the leader of the house to consider making it an order for return. We shall not reach questions tomorrow and we may adjourn before Wednesday.

Mr. Fournier (Hull): I will discuss this matter with my colleagues.

[*Later:*]

Mr. Knowles: May I ask the Minister of Public Works (Mr. Fournier) if he will include question No. 6 along with the others which might be made orders for returns.

MOTIONS FOR PAPERS

LAC MEGANTIC, QUE.—CONSTRUCTION OF PROTECTION WALL

Mr. Courtemanche:

For a copy of the payrolls and a statement of the materials purchased in connection with the construction and repair of the protection wall at Lac Megantic, county of Compton-Frontenac, since 1941.

[Mr. Drew.]

BELLERIVE, QUE., WHARF

Mr. Courtemanche:

For a copy of the payrolls and lists of materials purchased in connection with the construction of a wharf at Bellerive, county of Labelle, during the fall of 1951.

HOUSE OF COMMONS

RULES OF PROCEDURE—INQUIRY AS TO AMENDMENT

On the orders of the day:

Mr. Donald M. Fleming (Eglinton): May I ask the Prime Minister whether it is the intention of the government, before the house adjourns, to propose an amendment to the rules of the house in order to give effect to the first recommendation in the report of the committee assisting Mr. Speaker with reference to the rules of the house and which was tabled last Friday?

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, this matter will be considered today; and I hope that there will be tomorrow a motion to concur in the report.

FISHERIES

LOCATION OF PRINCE EDWARD ISLAND SCALLOP BEDS

On the orders of the day:

Hon. R. W. Mayhew (Minister of Fisheries): Mr. Speaker, on Saturday the hon. member for Queens (Mr. McLure) asked for more definite information as to the location of the new scallop bed recently discovered in the Northumberland strait area. This scallop bed lies approximately nine and one-half sea miles east, northeast, (magnetic) off the Richibucto harbour buoy. It runs northeast and southwest, is roughly oval in shape and approximately one and one-half miles long and one-half mile wide.

Using the British Admiralty chart No. 2034 or the U.S. navy hydrographic office chart No. 1066 for plotting, the positions are as follows:

Southern end 46 deg. 51′ 00″ N. lat.
64 deg. 37′ 00″ W. long.

Northern end 46 deg. 51′ 30″ N. lat.
64 deg. 36′ 00″ W. long.

The bed is marked at each end by staff buoys flying red and white flags.

There was a biological bulletin issued on June 25 regarding this bed, and I might also add that an item about its discovery appeared in *Trade News* of May.

REDISTRIBUTION

READJUSTMENT OF REPRESENTATION IN THE HOUSE OF COMMONS

Hon. W. E. Harris (Minister of Citizenship and Immigration) moved that the house go into committee to consider Bill No. 393, to readjust the representation in the House of Commons.

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

On section 1—*Short title.*

Mr. Drew: Is it the intention of the minister to make any statement on section 1?

Mr. Harris (Grey-Bruce): Yes, Mr. Chairman, it was my intention to do so. As I have already said, this bill follows the form of all previous bills on representation, with the exception of a certain number of incidental amendments having to do with the elections act and the controverted elections act which will be explained in detail later. But on the larger issue of representation, there are a number of points that should be mentioned.

It is clear to the committee that this bill is different from any other one in that we have altered, since the last redistribution in 1947, the basis of calculating the membership of the house from the several provinces. Section 2 of the bill carries out the changes which we have made. There have, of course, been increases and decreases in the several provinces. For example, the province of Ontario gains two seats according to the last census. The province of Quebec gains two seats. The province of British Columbia gains four seats. For other reasons the district of Mackenzie has been granted an additional seat. There have been decreases, in Nova Scotia of one seat, in Manitoba of two seats, and in Saskatchewan of three seats.

As a result of the committee work, there have been a great many changes in the constituency boundaries. For the sake of the record it should be pointed out that in the province of Newfoundland there has been only one change and that six constituencies have been left the same. In the province of Nova Scotia there are five changes and seven constituencies are the same, all the changes being brought about by the necessity for the loss of one seat. The province of New Brunswick has been left as it was before, with ten seats the same. The same applies with respect to the province of Prince Edward Island with four seats. In the province of Quebec there are two new seats, 45 are the same and 28 changes have been made. May I add that most of the changes or a considerable number of them have been descriptive changes. Might I also add that I understand from the committee that all the changes have met with unanimous approval of all the members of the provincial subcommittee.

In Ontario there are two new seats, 49 are the same and 34 have changes. In Manitoba and Saskatchewan there have been changes in all the seats because of the reduction in numbers in those two provinces. In Alberta two are the same and there have been 15 changes. It might be noted that last time there were no changes in Alberta. In British Columbia there are four seats added, seven are the same and there are 11 changes. The result is that in the provinces there are eight new seats, 130 are the same as heretofore and 125 have been changed.

On Saturday there was considerable discussion about improving the method of doing this work. I have no desire to make any remarks with regard to that debate, except to say this. In my opinion the members of the committee have found themselves seized with knowledge of the conditions not only in their own constituencies but in others and have contributed materially to the discussions in the committee and to the decisions which have been made as reflected in the schedule. I want to add my thanks to those which have already been expressed for the work of that committee.

As to the procedure to be adopted with respect to this bill, I should point out that in 1947 a general discussion was permitted on section 1. In fact, on that occasion amendments to the schedule were moved on section 1 of the bill, and the government of the day took some objection to that course. At any rate, it was suggested that it might be better if the discussion on the schedules took place on the schedules. I would suggest to you, Mr. Chairman, that in conformity with the suggestion made in 1947, we should discuss the sections of the bill on their merits, leaving section 3 to stand, as it relates directly to the schedules. Then, as we come to the schedules, have a general discussion on the first item of each province with respect to the whole of that province. If that does not meet with the wishes of the committee, I would point out that there are a number of amendments to be moved to some of the schedules, and that it would be desirable to have those amendments before the committee so that the discussion which would take place then on section 1 might have in mind the changes in the schedules.

May I also add this. Hon. members may have before them two copies of the bill and the schedule. One was printed on Saturday in the desire to get this information before the members at the earliest possible moment.

There were a number of errors in the printing, and in fact a number of errors in the interpretation of what the committee has decided. Most of those—all for all I know—have been corrected in a reprinted bill which is now before the hon. members. Nevertheless, there are some changes yet to be made, and if hon. members have a purely descriptive change to suggest I would be glad to receive it so that we can check it with the original. Therefore I suggest, Mr. Chairman, that we proceed with the bill section by section, without a discussion of the schedules, leaving section 3 to stand. Then, permit a general discussion on the first item of each provincial schedule with respect to that province. If, Mr. Chairman, you feel that that is not the proper procedure, then I would ask leave to move a number of amendments before we have a discussion on section 1.

Mr. Drew: In so far as the suggestion that we proceed section by section without engaging in a general debate on section 1 is concerned, I would point out the reasons why that is not practical for the purpose of dealing with the matters that are concerning many hon. members at this time.

The well-accepted practice in this house in the committee stage has been to regard the first section as the point at which general discussion can take place. The general discussion will be largely guided by the result of the decisions that are made outside of this house which find themselves interpreted in the schedule to the bill. The minister has already indicated that he proposes to move a number of amendments to the schedule, and that indicates reasons why hon. members are not yet in a position to discuss the general effect of this bill as it stands with full knowledge of what the situation really is.

There is no reason to repeat any of the arguments that have been made as to the desirability or undesirability of this system. It would be improper if I sought to repeat any arguments as to the desirability of appointing a commission to deal with this. The house has made its decision. I simply make that observation so that no one will think that we are accepting this as a desirable system. We simply accept the decision that has been made by a majority of this house that we are to proceed in this way, and by the decisions of a committee of this kind. Therefore, by the rules of the house, we are compelled to make the best we can of a bad job. Let no one be in any doubt that it is a bad job. The task, however, should be to try to achieve the best results that can be achieved under an unsatisfactory system.

[Mr. Harris (Grey-Bruce).]

The minister has himself pointed out that the discussion can best take place with knowledge of what the schedule contains. I am simply stating what is known to all members of this house, or I imagine is known to all, when I say that there is still discussion taking place in regard to some of the constituencies. That being so, we are still not certain as to what the recommendation is to be in regard to certain of the constituencies covered by this schedule which is before us in printed form.

The minister has indicated that he will move certain amendments if we are to proceed with a general discussion at this time on section 1. The minister is of course aware that at this very moment discussion is taking place in regard to further changes in boundaries, I think it would be best that we wait until we know that any amendments that are to be made by the minister, who has been the chairman of the general committee, are in fact ready to be presented so that we are not dealing with a varying schedule, but with a schedule that is to be before us as the basis of discussion.

There are a number of other items of business that we can proceed with in the meantime. I think that to avoid any discussion that may be unnecessary we should not carry forward the general debate, or the debate in regard to any of the sections which affect the schedule, until we know what the schedule really is that we are discussing. For that reason, Mr. Chairman, simply to facilitate the procedure and to avoid debate that may perhaps become strenuous, as it has on other occasions in the past, when subjects of this kind were under discussion, I propose that we will save time by postponing discussion on this bill until the decisions have been reached and the minister is in a position to say: This is the complete schedule that is being proposed by the committee of the house.

We already know from one or two of the exchanges that took place on Saturday that strong opinions will be expressed in regard to particular constituencies. It is conceivable that some changes that are still to be made may have some bearing on the extent of the debate. I therefore, Mr. Chairman, with the thought in mind simply of avoiding unnecessary debate and with the knowledge that we have a great deal of business to proceed with otherwise, move that the committee rise to report later this day at the call of the chairman.

Mr. Harris (Grey-Bruce): May I point out that all the rights of any hon. member with respect to the discussion of the schedules are preserved if my suggestion is adopted that

section 3 be not called, but that the bill be proceeded with in other respects.

Mr. Knowles: I wonder if I might make a suggestion. Perhaps it is in the form of a compromise, but in dealing with redistribution there are lots of compromises. I believe the leader of the opposition is perfectly justified in asking that the debate on clause 1, which is as general a debate as we can have in committee, should not be proceeded with until we have a more complete picture as to what is to be in the schedule. Therefore, I support him in the suggestion that the debate on clause 1 should be deferred.

I wonder, however, whether it is necessary to postpone all of the discussion to a later time. The leader of the opposition has said that there are constituencies in some provinces which are still under discussion at various levels. Some of the provinces are agreed to. In some other cases, although the decisions arrived at are those of the majority and may not be satisfactory to some of the rest of us, at least we know that there are no further discussions taking place. As a compromise I wonder whether we could not let all the sections of the bill stand and proceed with the schedule, taking up the provinces on which there has been agreement or in connection with which there are no further discussions outside of the house. In that way we can get part of the work done without forgoing the right for which the leader of the opposition has asked, and which I support, to have general discussion after we have the whole schedule before us. As I say, I make this suggestion as a compromise.

The Chairman: Hon. members realize that the motion of the leader of the opposition is not debatable, and it is my duty to put it forthwith. If it is the sense of the committee—and with the approval of the leader of the opposition—that some compromise suggestion be made before I put the motion, it is quite agreeable to me. But my duty is to put the motion immediately.

Mr. Drew: Mr. Chairman, I do not wish to bend the rule in any way in regard to debates, but perhaps it would simplify matters if I indicated why I would not wish to concur in the suggestion made. I point out that, so long as it is understood that changes may be made, I do not know how any of us is to be sure that there might not be some change made which would greatly affect the general discussion in regard to this subject, or even the discussion in regard to a particular province, although we might think at the moment that the schedule is complete in regard to that province. For that reason I would ask that the vote be taken on the motion I have made.

The Chairman: The leader of the opposition has moved that the committee rise and ask leave to sit again later this day. Is the committee ready for the question?

Motion negatived: Yeas, 35; nays, 62.

The Chairman: I declare the motion lost.

Mr. Knowles: Now that we are back on section 1 I would press the suggestion I made a moment ago. I suggest that in view of some uneasiness on the part of some members because the final draft of all parts of the schedule is not really before us, we should allow section 1 to stand—in fact, allow all the sections of the bill to stand—and proceed to the schedule, taking first the provinces which are agreed upon, then the provinces concerning which there are no further discussions outside the house and leaving to the end those with respect to which outside discussions are still taking place.

The Chairman: Perhaps we could hear what the minister would wish to say on the suggestion made.

Mr. Harris (Grey-Bruce): We would have no objection to adopting the course suggested. It would have been the one we would have suggested when we came to the schedule. It does leave open not only the right to discuss the schedule generally, under section 3, but the general purpose of the bill under section 1.

Mr. Fleming: Mr. Chairman, while we are discussing suggestions with regard to procedure, I should like to make one observation with respect to one suggestion made by the minister a little while ago in regard to the way in which the committee might approach the schedule to the bill. He suggested the schedule might be taken up province by province and that there might be a general discussion with regard to each province under the heading of that particular province. I should like to point out that that falls short of offering an opportunity for a general discussion on the whole schedule and, with respect, I think there ought to be an opportunity for a general discussion—

Mr. Harris (Grey-Bruce): That was the purpose of it.

Mr. Fleming: —without being narrowed down to any particular province. There should be an opportunity for general discussion on the schedule.

Mr. Harris (Grey-Bruce): I thought I made it clear that in calling, for example, the first item of the schedule with respect to Ontario, it would be open to all hon. members to discuss the whole of the 85 constituencies. If hon. members wish to go further and compare what is done in one province with what is

done in another, that is provided for in section 3 of the bill, which relates to the schedule as a whole. I think that meets my hon. friend's point.

Mr. Fleming: My point is that that discussion ought to come first.

Mr. Harris (Grey-Bruce): I agree.

Mr. Fleming: Whatever may be the means selected, whether a section of the bill or the schedule of the bill is called as the first matter for discussion, whatever is called first should provide an opportunity for general discussion of all the boundaries in all provinces.

Mr. Adamson: Obviously there is a typographical or transpositional error in the description of the riding of York West. It is so obviously a typographical error in transcription that I am wondering what machinery would be available for making the necessary alteration.

Mr. Harris (Grey-Bruce): In my introductory remarks I said there might very well be errors of that kind. If hon. members would draw such cases to my attention, we would save time by having the provincial chairman in each case move an amendment. If that is not satisfactory, however, the hon. member could move the amendment himself in this committee.

Mr. Adamson: The minister does not want to have discussion on the particular ridings now?

Mr. Harris (Grey-Bruce): No.

The Chairman: Is it agreed that the procedure suggested by the minister will be followed from now on?

Mr. Drew: Mr. Chairman, I cannot debate over again the merits of an argument that has been made and disposed of. But I have made and indicated our desire to facilitate the discussion, with the information before us as the basis of that discussion. I suggest that it is not a proper procedure to deal with a schedule until the section indicating the existence of the schedule has been adopted. One need not extend the argument to disclose what an extraordinary result there would be if one could defer the discussion of a section of an act, and then engage in a discussion of a schedule which, at least in theory, might never be adopted, or might never become a reality until the section giving it validity is approved.

The other point I would make is that in an important matter of this kind the whole effect of the act is not related merely to the satisfaction of individual members from any province, but it is related to the belief on the part of the hon. members and the House of Commons generally that what we are doing is in the best interests of Canada as a whole.

We do not think this is the best system, but we must accept it. Having been called upon to accept it, by a majority vote, it is our duty to do the best we can to make sure that we discuss this matter with knowledge of the way this method is going to work. That is governed largely by knowledge of what is happening, not in any single province but rather in different provinces.

It may well be that there is some single province where at least no very vigorous dissatisfaction will be expressed as a result of the sins of commission, no matter how strong the views may be in regard to the sins of omission. That does not become a subject for discussion by members representing only a particular province; it is a subject for discussion and concern on the part of all members. In my opinion we cannot proceed by the method indicated unless there is consent, and I do not think I should give that consent as I believe the business of the house will be expedited by proceeding with other business.

The Chairman: If there is no agreement to proceed in a manner different from the customary manner, I would call section 1 and according to the practice there could then be a general discussion. That is the customary procedure. May I make this suggestion. In order to preserve the rights of hon. members to have a general discussion perhaps sections 1 and 3 could stand. All rights to a general discussion would then be preserved.

The other sections of the bill were accepted in principle when second reading was agreed to and I do not suppose they are contentious. Therefore when we reached the schedule hon. members would be in the position of having all their rights to a general discussion preserved by sections 1 and 3 having been allowed to stand. They could then decide what they wished to do with regard to the schedule because at that moment the minister would be in a position to move the amendments of which he has given notice.

If that suggestion is agreeable it seems to me that it would permit the committee to make some progress toward the adoption of sections 2 and 4 to 11 inclusive. Perhaps we would be in a better position once the schedule has been called and, as I said, sections 1 and 3 still being allowed to stand—no right of general discussion would have been lost by hon. members—the minister could then move his amendments. Hon. members would then be in a better position to discuss the procedure to be followed as to the study of the

schedule. Is that suggestion agreeable to hon. members?

Mr. Drew: No, I do not think that it is agreeable. If we are not to proceed in the manner already suggested then I think we must be free to have a general discussion at this time.

The Chairman: Section 1.

Mr. McIlraith: I have an amendment to move with respect to the part of the schedule dealing with the province of Ontario. I would have preferred to move it later, but since it has been decided that we should have a general discussion now I will have to deal with the matter at this time. This has to do with certain townships in the area of Huron, Perth and Wellington counties. Perhaps the simplest way to proceed would be to indicate the actual motion now although, as I say, I would have preferred to do it when we were dealing with the areas concerned. It is:

That the schedule be amended with respect to item 5 (Bruce) by deleting therefrom the words "East Wawanosh, West Wawanosh, and Ashfield in the county of Huron."

That the schedule be amended with respect to item 25 (Huron-Perth) to read "Huron consisting of that part of the county of Perth included in the township of Hibbert and that part of the county of Huron included in the townships of Hullett, McKillop, Stanley, Tuckersmith, Hay, Stephen, Usborne, Grey, Morris, Colborne, Goderich, Ashfield, East Wawanosh and West Wawanosh."

That the schedule be amended with respect to item 48 (Perth) to read "Perth consisting of the county of Perth excepting therefrom the township of Hibbert but including the city of Stratford and that part of the village of Tavistock contained in the township of Easthope South."

That the schedule be amended with respect to item 65 (Wellington North) to read "Wellington-Huron consisting of that part of the county of Wellington contained in the townships of Arthur, Garafraxa West, Maryborough, Minto, Nichol, Peel and West Luther, including the towns of Mount Forest and Palmerston, and that part of the county of Huron contained in the townships of Howick, Turnberry, and the town of Wingham."

That the schedule be amended with respect to item 66 (Wellington South) to read "consisting of the city of Guelph and that part of the county of Wellington contained in the townships of Puslinch, Eramosa, Guelph, Erin and Pilkington including the village of Elora.

I have sent copies of the motion to representatives of the other parties on the subcommittee. As I say, I would have preferred to discuss it when we were discussing those constituencies in detail, but I indicate the actual motion now. I might indicate that there is an obvious typographical error in the description of Renfrew South which can be dealt with when we come to that part of the schedule. The word "Nipissing" is used instead of Renfrew. There is another obvious typographical error in the description of Carleton. This is rather unusual as it would exclude nearly all the population of the county. These can be dealt with when we come to the particular constituencies.

Mr. Cardiff: May I ask if Turnberry and Wingham and Howick are included in Wellington?

Mr. McIlraith: Yes, and the hon. member will note also that the name of the constituency is being changed to Wellington-Huron. The name of the old constituency was Wellington North.

Mr. Cardiff: I have not missed very much.

Mr. Drew: Mr. Chairman, section 1 of the bill now provides an opportunity to discuss the procedure that has taken place. We are bound to do the best we can under the method that has been adopted. There may have been some who thought that the vigorous terms applied to a procedure of this kind by the hon. member for Quebec South would not be justified on this occasion because there had been assurances that the government would seek the co-operation and support of all hon. members. There might have been a number of hon. members who placed a great deal of hope in those assurances, but the fact remains that no matter how sincerely those assurances may have been given on behalf of the government, the actual procedure has not conformed with them in any way. It is true that attempts have been made to make certain concessions in regard to specific objections which have been brought before the different provincial committees, nevertheless the net result is that we find that there have been acts of barefaced gerrymandering never exceeded under the committee system or under any other system since confederation.

One of the difficulties in discussing this point with complete certainty as to the full extent of what is to be done at the present time is that further proposals are under consideration right now outside of the house which may to some extent modify the criticism that can be directed against the decisions as to certain particular constituencies. Even the changes now under consideration, however, will not remove the criticism as to the results of the procedure that has been followed. It may be that the full extent of what was contemplated with respect to the electoral district of Lake Centre may be modified, as I most earnestly hope it will, but that does not get away from what was originally contemplated. As a result of the most vigorous expression of opinion outside of the house I would hope that members of the committee dealing with the problem of redistribution have been impressed with the desirability of reconsideration of the proposals that they will put forward in final form with respect to

that particular constituency. It is significant, however, that the changes that have been made have so conspicuously been efforts to affect those constituencies represented by Conservative members in the house.

Mr. Harris (Grey-Bruce): And Liberal.

Mr. Drew: That of course may be described as simply an accident of geography or an accident of the movement of population. It is very interesting that such sweeping changes were proposed with respect to the constituency of Lake Centre which is represented by a member who is recognized as one of the outstanding members of the Conservative party. I would point out that this practice has been carried out in other cases. In Manitoba it is significant that there is to be a gerrymander there by the joining of the Souris and Brandon ridings. I find it difficult to believe that most members will agree that the only adjustment of boundaries that could have taken place was one which would join a riding, which for so many years had been represented by the very distinguished member of parliament from Souris, with a riding which was won in a by-election by one of the younger but distinguished members of this party last year.

That kind of union of constituencies is of the type that led to the original adoption of the word "gerrymander". I feel sure all hon. members of the house know the source of the word. It perpetuates the name of a senator in the United States who found it convenient to propose a union of electoral areas which would do away with the riding of one of his opponents. On that occasion the boundaries suggested had such a strange outline that one of those present at the meeting of that particular committee, held as long ago as 1812, said that it looked like a salamander, which is a particularly unpleasant looking type of reptile. Another said it should no longer be regarded as a salamander but as a gerrymander. From that time this unusual and rather ugly word—

An hon. Member: A good word.

Mr. Drew: —has become a part of our political dictionary in this country as well as in the United States. I heard a remark from the opposite side that it was a good word. Members on the opposite side of the house are certainly expressing their belief in the word in what they are doing at this particular time. I have indicated already that I am not placing before the house any suggestion that either party comes into the house cloaked in robes of virtue so far as the question of redistribution is concerned. We had hoped however that, with the assurance that was given and with the very strong statements that have been made by members of the Liberal party as to the undesirability of this method, we might have seen some of these abuses overcome at this time.

I would point out that we also have an interesting situation in Nova Scotia where a very distinguished member of our party who represents Annapolis-Kings now finds himself with a constituency embracing a beautiful part of that wonderful province but nevertheless one involving an interesting problem in arithmetic. As a result of the redistribution we find that the constituency he will represent in the future embraces a very much larger number of voters than the two adjoining constituencies which were also under consideration at the same time.

Mr. Fleming: Almost 50 per cent more.

Mr. Drew: The number of people he will be called upon to serve will be approximately 50 per cent more than the two adjoining constituencies which were under consideration in the same deliberations. Perhaps it will be said that there is no significance in the fact that these two other constituencies are represented by Liberal members, and that it is entirely one of the accidents of geography that the hon. member for Annapolis-Kings will find himself called upon to serve that larger number of people. I feel sure he will be happy to serve them with the same efficiency and effectiveness with which he has served his present constituency in the past. Nevertheless he is called upon to represent a much larger number of people than in the constituencies nearby, and that hardly conforms with the general principle of representation by population which was supposed to be the basis of the redistribution that we are undertaking.

One of the difficulties with which we are confronted in matters of this kind is that, proceeding as we do under an unsatisfactory system with no basic policy adopted as to how the redistribution will be carried out, there is nothing that can be done but an utterly unmodified form of log-rolling in an effort to ameliorate the injuries that result from this kind of political gerrymandering. Another difficulty with which we are confronted is that in these matters the Liberal party speaks with two voices. They are both clear and unmistakable voices. One is the voice of virtue and of memory. The other is the voice of political expediency. When the subject is being discussed on a theoretical basis then from memory and experience members of the Liberal party speak in a way that all of us can support. We have already heard the statements of the hon. member for Quebec South read into the record, and many of us have heard

him make these statements in the house. Statements of the Right Hon. Mackenzie King have been read into the record, statements he made both when he was prime minister and when he was leader of the opposition. A great number of statements can be cited here as to the high purpose of those seeking redistribution.

Another example of that kind of statement in regard to the desirability of an altruistic approach to this subject was contained in the words of the Hon. Colin Gibson at the time redistribution was under consideration a few years ago. At that time he was Secretary of State, and speaking of the hopes in regard to the committee he had this to say:

> I may say again referring to past history, that since the new method has been adopted of referring the question of delineating the constituencies to a special committee of the house, agreement has recently been arrived at owing to the fact that a real effort was made by all members of the committee to be fair, just and reasonable. I have every confidence the same spirit of justice and fair play will be displayed by those who form the committee this year.

That was the high and lofty statement made in regard to the actions of a committee which were described later by the member for Quebec South as the application of the law of the jungle. One was the voice of memory, the voice of altruism, and the other was the voice of reality indicating exactly what had happened in the meetings of the committee and in this house.

I am compelled, Mr. Chairman, to remember other words of the hon. member for Quebec South, because he has spoken with a frankness which still indicates reasons why we might have hoped for more from this committee. Writing in an article which has been referred to from time to time, and which appeared in *Maclean's* magazine, the hon. member for Quebec South spoke of his regret that the Liberal party needed to be saved from opportunism which neglected principle, and which is begotten of what can only be called the office-holding mania. Those are not my words, but the words of the hon. member for Quebec South who has spoken with that measure of frankness which we might have hoped would have, in some measure, guided the course of the committee dealing with this subject at this time.

Although my motion that the committee should rise has been turned down, I would point out that it is in order for the minister who is guiding this measure through the house to move at any time that the committee rise and report progress. I repeat the suggestion, with the further discussion we have had, that he follow this course. I have suggested reasons why this should be done. I would point out that I have only mentioned a few of the examples of what has happened in the province of Ontario. There are very serious examples of gerrymandering which affect the hon. member for Huron; which affect the hon. member for Frontenac, where that historic constituency is being merged completely with another constituency; which affect ridings right across the province of Ontario. These examples can be discussed in detail if the further arguments that are presented fail to convince the minister of the desirability of reconsidering this subject.

It is true, Mr. Chairman, that under the procedure now before us it will not be possible to carry out redistribution in a manner which can give the people of Canada very much confidence in what is being done to assure some measure of representation by population. Nevertheless, some of the most glaring examples of gerrymandering, of the law of the jungle to use the term employed by the hon. member for Quebec South, could be avoided if this committee would rise and refer these most glaring cases back to the redistribution committee to be considered while the house is proceeding with other important business, which could be dealt with satisfactorily in the meantime.

Mr. Knowles: As I indicated earlier, it seemed to me that it might have been preferable to have the discussion of grievances that some of us have with respect to various situations take place on the schedule concerning the various provinces. But since it seems to have been decided to have that type of debate on section 1, there are a few comments that I should like to make at this time.

First of all, I wish to repeat our view that the way we have dealt with redistribution on this occasion is not the best way for it to be handled. We are prevented from discussing the alternative method which has been suggested several times at this session, namely an independent commission, because votes of the house have already been taken on that question. Nevertheless, Mr. Chairman, it is still in order for us to recite some of the experiences we have had in the committee, and to register our objection to the method still being employed, namely that of having redistribution effected by a committee of the House of Commons. What happened this time is practically the same as what happened in 1947, a time when many of us who were members of this committee were also members of that committee, and I have reason to believe it is similar to the experience of former committees.

A special committee of the House of Commons was appointed. That committee, Mr.

Chairman, broke itself down into a number of subcommittees. There was one subcommittee for the maritime provinces and Newfoundland, one subcommittee for the Yukon and Northwest Territories, and then there was one subcommittee for each of the other provinces. Those subcommittees, in turn, were supposed to deal with the problem of redrawing the maps of their respective provinces. The subcommittee met; some of them shortly after they were established, but some of them did not meet for quite a long time. In every case with which I had any connection I think it is correct to report that, although our official subcommittee met and took the formal decisions, whether they were unanimous or by a majority, the real decisions were not made in the subcommittees. The real decisions were made by the Liberal caucuses of the respective provinces. The course of procedure is well known. A subcommittee is appointed, and after a while it meets. In some cases, a map is presented to it—

Mr. McIlraith: I wonder if I might rise to a point of order, Mr. Chairman. I am sure the hon. member means to be fair in this.

Mr. Knowles: I am overly fair.

Mr. McIlraith: I quite appreciate that, but I want to clear the record on one point. There has not been a Liberal caucus for the province of Ontario since the Ontario subcommittee started to meet.

Mr. Fleming: What about caucuses of parts of the province?

Mr. Knowles: Perhaps in some provinces like Ontario they have had to be sub-caucuses of a number of members—

Mr. McIlraith: I want to make the record quite clear. There have not been caucuses of parts of the province, either. It is just a matter of keeping the record clear.

Mr. Fleming: Maybe there should have been caucuses.

Mr. Knowles: The hon. member would not deny the fact that in between the various meetings of the subcommittee there have been consultations with the Liberal members affected?

Mr. McIlraith: With individual Liberal members, as there have been in all others.

Mr. Knowles: Always one at a time?

Mr. McIlraith: Yes; I am afraid so. At times it was extremely tiring.

Mr. Knowles: It might have been better if you had got them all together at once.

An hon. Member: Is that what you did?

[Mr. Knowles.]

Mr. Knowles: The hon. member for Ottawa West can speak for Ontario but as to some of the other provinces, particularly my own, there is no question but that there were meetings of the Liberal caucus for the province as a whole. What happened was that, in the case of Manitoba, the first meeting we had was one with nothing laid before us. The chairman invited us all to make suggestions. It was a surprise and a most welcome one. We made suggestions. Then the next time we met a map was presented to us. By some strange coincidence, that map appeared in the Winnipeg *Free Press* in Winnipeg on the same afternoon that we obtained it here. That was on May 23.

From that day on we really went to work and our method of proceeding was that we on the subcommittee would make protests, counter-suggestions and proposals and the Liberal members of the committee would take our proposals back to the Liberal caucus. We give them full credit for doing that and for doing it repeatedly. I have lost track of the number of times that our proposals were taken back to the Liberal caucus in order to ascertain whether or not they would approve of the suggestions that were made. In giving credit, let me go further and say that some of our suggestions were accepted. Indeed the final map is quite different from the one published on May 23, and it is an improvement. But even if the Liberals had accepted all of our proposals—and they certainly did not—what I object to is the method of procedure. The real decisions were made not by the subcommittee which had its official status but by the Liberal caucus. That was the course followed in the case of Manitoba, to my knowledge; and I imagine that it was followed with regard to a number of other provinces as well.

Even if the results of that procedure were perfectly fair having regard to the members affected, and even though the map had the appearance of being a proper one, I suggest that the procedure lends itself to serious criticism and people wonder whether that is the right way to do it. As a matter of fact as a result of that procedure you do not get a perfectly fair map; and when there are any unfairnesses, the people of the country are led to the conclusion that redistribution is being done on a political basis.

One of the other factors involved in this method is—

Mr. Harris (Grey-Bruce): On a point of order, Mr. Chairman, may I say that we went through all this on Saturday, and that my hon. friend has been breaking the rules for at least five minutes.

Mr. Knowles: Mr. Chairman, I have not referred to the subject to which I should like to refer. I know that it would now be out of order for me to talk about an independent commission, so I am not repeating those arguments at this time. I am simply reporting to you, Mr. Chairman, on what actually happened in the work of the committee which produced the report and which produced the schedule that is now before us.

The other point I wish to emphasize is that in our committee discussions, inevitably—it is inherent in the nature of the system—we have concerned ourselves with present boundaries and whether or not they should be adjusted, and we have concerned ourselves with sitting members. I want to make it perfectly clear that I am not speaking in any holier-than-thou attitude. No member of the House of Commons who has been a member of that committee has been able to divorce himself from the necessity of considering present boundaries, the situations of which he is aware in his own province, and the situations with respect to particular members. It is precisely because it is inherent in the nature of the system that we take such considerations into account that I deplore the fact that we have been doing it in that way on this occasion. It seems to me that what we should be concerned with is not the situation of particular members, not the question of whether or not a boundary is an historic one, but rather with the right of the people of the country to proper voice in parliament as nearly on a representation by population basis as it is possible for us to achieve.

In my view in some parts of the country some progress has been made towards that objective. There are many cases in which glaring inequalities have been lessened. There has been some improvement. In fact, in some of the provinces I will say that the only things that are wrong are actual omissions; what has been done has been good, but that the committee has not gone far enough because it is inevitably hamstrung by the very conditions under which it has had to work.

Having made those general observations with respect to the work of the committee, may I say that I utter those comments not in order to cast any reflection on the individuals who have been engaged in this work. There have been many attempts to be fair. There has been a good deal of considering and reconsidering of proposals made by opposition members. In fact, that consideration is still going on at the present time. I ask that no members take offence at the suggestion that the work in which they have been involved is work they should not have been doing at all. It is not they who are at fault; it is the system. The result is that we now have before us a schedule in which there remain many unfairnesses and as a result there will be in the country the feeling that they arise from political considerations.

May I now make a few comments with respect to what has been done in my own province of Manitoba. We have been under the necessity of losing two seats. That fact creates a problem which our friends in Ontario do not know much about. If they have difficulties when they get two new seats, I wonder what their experience would be if they had to lose seats in proportion to the number we have had to lose. The two which have been taken out by the decision of the majority of the committee are the constituency of Souris and the constituency of Selkirk.

It is true that two constituencies have to come out. But in the subcommittee we offered suggestions alternative to those that were made. I will not spend any time on the alternative suggestions with regard to Souris because I have no doubt that the hon. member for Souris, who is a member of the committee, will have something to say about them. However, I want to register my strong objection to the elimination of the present riding of Selkirk. On the map of Manitoba there is to be retained a riding to be called Selkirk but it is really the present riding of Norquay, with the town of Selkirk added to it, with the name of Selkirk to be applied to that riding. The present riding of Selkirk is a suburban riding. It includes St. James, West Kildonan and adjoining territory and the town of Selkirk. This riding is to be eliminated. I object to that elimination. I naturally object to it because of the person involved, namely my own close personal friend, the hon. member for Selkirk. Many other members of the house will be unhappy about that change because many hon. members regard him as a close personal friend, as a splendid member of this house—

Mr. Drew: Hear, hear.

Mr. Knowles: —and one who some of us are confident will be back again. But I make my protest against the elimination of that seat not on those personal grounds. I make it on two other grounds. The first one I can state briefly. It is this. Selkirk was one of the largest of the non-Winnipeg ridings in the province of Manitoba. One might understand the argument for eliminating Souris—even if my friend the hon. member for Souris does not like it—on the basis that it was the smallest riding in the province in terms of population. But

having decided to eliminate Souris because it has the smallest population in the province, it seems strange that for the second seat to eliminate the committee should go right up the ladder until you get to the largest of the non-Winnipeg seats in Manitoba.

Mr. Ross (Souris): Very much the largest.

Mr. Knowles: Yes; very much the largest of all those ridings. In addition to that objection which I have registered to the elimination of the present Selkirk, I also register most strongly my objection to the increasing disparity which we are called upon to take in the province of Manitoba as between the population in distinctly rural seats and that in distinctly urban seats. It is fully recognized that distinctly rural seats are entitled to a slightly less population unit than distinctly urban seats. I not only recognize that principle, I assert it. There is no question about it. But it seems to me that we have allowed abuse of that principle to be carried too far in some areas in this country. I am glad to see in the province of Ontario that it is being reversed a little bit, if not sufficiently; but in the province of Manitoba a disparity which was already too great has been made even greater. And in my view the urban people in the province of Manitoba are being grossly discriminated against in the matter of proper and adequate representation in the House of Commons.

I want to demonstrate that, Mr. Chairman, with a few figures, and I will naturally keep my figures to a minimum. I want to tell the committee what the situation was as a result of the last redistribution, and then show the committee what has happened as a result of this redistribution, which indicates a trend against the rights of the urban people of the Winnipeg area.

As a result of the last redistribution, which was based on the 1941 census, we ended up with sixteen seats in the province of Manitoba. Three of these seats were combined urban and rural areas. They were Brandon, St. Boniface and Selkirk. Their total population was 125,176, or an average of 41,725. I have put that on the record, but I shall omit any reference to these three seats from the argument I shall make in a moment because they are urban-rural seats and cannot be included in any comparison between distinctly urban and distinctly rural constituencies. Having put that information with respect to these three seats off by itself, the rest of the picture was in these terms. There were left nine rural seats, distinctly rural, whose total population was 365,683, making an average population per distinctly rural seat of 40,631.

I move on to the urban situation as a result of the last redistribution. There were four distinctly urban seats, Winnipeg North, Winnipeg North Centre, Winnipeg South, Winnipeg South Centre. Their total population was 238,885, or an average of 59,721.

I have given you the average population in the distinctly rural seats and the average population in the distinctly urban seats following the last redistribution, Mr. Chairman. The difference between these two averages, between 40,631 for the rural and 59,721 for the urban, was 19,090. I ask hon. members to note that that figure of 19,090 was the spread between the average rural and the average urban seat following the last redistribution. I ask them also to note that on that basis the average urban seat had 46 per cent more population than the average rural seat. I contend, Mr. Chairman, that that disparity of 46 per cent, which was the result of the last redistribution, was unfair. It was too great. It was a case of discrimination against the rights of the people of the Winnipeg area on any theory of representation by population.

In the bill which is still on the order paper in the name of the hon. member for Quebec South a number of rules are suggested. I make it clear that those rules are not yet the law of this land, but they do reflect the thinking of one hon. member who has given considerable attention to this whole question. The hon. member for Winnipeg South suggests in his bill that an urban seat should be one and a quarter times the size of rural seats in population. His suggestion therefore is that the disparity should be 25 per cent. We were handed in the last redistribution in Manitoba a disparity of 46 per cent.

Mr. Mutch: Will the hon. gentleman permit a correction? A moment ago he referred to the member for Winnipeg South. I think he meant Quebec South.

Mr. Knowles: Oh, yes. I would hope that the hon. member for Winnipeg South would agree with some of the ideas of the hon. member for Quebec South.

Mr. Mutch: I very often do, much more often than I agree with the hon. member for Winnipeg North Centre.

Mr. Knowles: On this occasion maybe the three of us can get together.

Now let us come down to the results of this redistribution, bearing in mind that the last one gave us a disparity of 46 per cent, which I regarded as too high. On this occasion we are left with only two of these combined or rural-urban seats, namely, Brandon-Souris and St. Boniface, with a total

population of 107,002, or an average of 53,501. As to distinctly rural seats, we are left with eight, and their total population is 351,704, or an average per rural seat of 43,963. As against that, Mr. Chairman, we now have four distinctly urban seats, whose population make a total of 307,782 or an average of 76,945 per urban seat. Therefore, Mr. Chairman, whereas before we had a disparity of 19,090 or 46 per cent, that disparity is now 32,982 or 75 per cent. To put it in other words, 351,704 rural persons are given eight seats; almost the same number of urban persons, 307,782, will have only four seats. I submit, Mr. Chairman, that that is going too far.

I congratulate the Ontario committee on having moved a bit in the other direction. I do not think they moved far enough, but they moved in the right direction. In Manitoba we have moved in the wrong direction. We had a disparity against the city of 46 per cent. It should be only 25 per cent, says the hon. member for Quebec South, and that disparity is now being increased to 75 per cent.

There is room in some parts of the country for perhaps more disparity than the hon. member for Quebec South has suggested, but I suggest that in a province like Manitoba, where we have quite a few fairly populous centres out through the rural areas—Portage la Prairie calls itself a city, and there are other points through the province which are quite populous and increasingly so—there is no excuse for that disparity of 75 per cent. Perhaps it is not appropriate for me to discuss it here, but I may say that back home in Manitoba at the provincial level we have the same kind of unfair disparity between the urban and the rural areas and I would suggest—

Mr. Wood: Will the hon. member permit a question? Is it the policy of the C.C.F. party that urban constituencies should have the same population as the rural constituencies?

Mr. Knowles: I thought I made it perfectly clear that I accept the idea that the population in the rural constituencies should be less than the population in the urban constituencies. I went further and agreed with the proposal made by the hon. member for Quebec South that the difference should be of the order of 25 per cent. What I am objecting to is the difference of 75 per cent that is proposed by the redistribution that is now placed before us, which surely no one can defend. I know that in some quarters this is regarded as a touchy subject, and that one should not speak about it, but surely fairness should underlie our redistribution. Surely we do not throw the idea of representation by population completely out the window, and I contend that this is a grossly unfair redistribution so far as the city of Winnipeg is concerned.

In reply to the hon. member for Norquay, may I tell him that when one makes a complaint such as I have made—and I made it in the committee on redistribution—he has an obligation to suggest an alternative, and I did suggest an alternative. My alternative proposal was that there should have been retained in the Winnipeg area a fifth seat, one something like the present Selkirk, consisting of a suburban area around the city of Winnipeg, together with some of the country area just outside of that suburban part. If one did that he could create three urban-rural seats—I mean, in the province—three including the additional one in the Winnipeg area which I suggested—with an average population of 53,487. That would leave four distinctly urban seats inside the city limits with an average population of 66,080, and seven distinctly rural seats with an average population of 48,814. That would thus add an extra seat to the Winnipeg area and it would lessen the grossly unfair disparity in the map proposed by the committee in its majority report.

That is my answer to the hon. member, not only in general but in specific terms. The proposal which I made in committee—and I still have in my hand the typewritten figures I then used—suggested a disparity of 33 per cent. My proposal was that the distinctly rural seats should have 48,814, that the distinctly urban seats should have 66,080, which would have made each rural seat 17,660 less than each urban seat, or would represent a difference of 33 per cent.

In other words, in the light of the situation in Manitoba I was prepared to go even further than the hon. member for Quebec South, who suggested a disparity of 25 per cent, for I proposed a disparity of 33 per cent. But I certainly suggest that a disparity of 46 per cent such as we were handed last time was too great, and that a disparity of 75 per cent, which we are being handed now, is scandalous. It offends against the principle of representation by population, even with all the qualifications and modifications of that principle that are sometimes put forward, and simply cannot be defended.

One realizes that at this stage of the game amendments do not get anywhere, and that there is no point in moving any further changes at this time in the Manitoba situation; but I do protest strongly and I do insist that there should have been retained another suburban seat around Winnipeg, such as the

present seat of Selkirk, and that it should have been done so as to retain a closer resemblance to the principle of representation by population than is involved in the redistribution now before us.

I wish to make it very clear that if the population in Manitoba stays on the basis which now obtains, or if it moves still further in the direction of a greater concentration in the urban area, as has been the case during the last ten years, then when the next redistribution comes around we simply must not have this kind of map for Manitoba. We must have for the city of Winnipeg and for the greater Winnipeg area a number of seats more in proportion to that to which we are entitled, which will call at least for five seats where we now have only four. I would settle for a 25 per cent disparity—I would even settle for 33 per cent—but none of this 46 per cent and 75 per cent, which means that in Manitoba every four Canadians out in the country has the same voice in the House of Commons as have every seven Canadians living in the Winnipeg area. And when you multiply that disparity by similar disparities, or others even approaching it in other provinces—although I believe the worst disparity may be in Manitoba—you get a completely unfair balance in the House of Commons, so far as representation of the people of this country is concerned.

This, again, is another of the reasons why we feel it is wrong that this matter has been dealt with in a parliamentary committee. This is the sort of thing which could be corrected if it were dealt with by some outside body, under rules given to it by the house, a body having the right and the authority to go ahead and to apply those rules objectively and fairly, and in the interests of the people of Canada as a whole, instead of only with an eye to what obtains at the present time.

Then, just one further word about Manitoba. It will be argued in defence of the map proposed that there is equality within the categories. That is true. Within the category of rural seats they are all in the forty thousands, varying from 40,000 to 47,000—and I commend that to some other provinces. Within the category of urban-rural seats, they are both in the fifty thousands. Within the category of urban seats, three of them are 75,000, and one is 80,000—so that they are close together.

But I submit that the virtue of equality within those categories does not get away from the fact that there is too great a disparity between the categories, in particular between the average for urban seats and the average for rural seats. It is the violation of that principle which has resulted in the loss of the seat of my hon. friend from Selkirk—a result which we think is most unfair. The violation of that principle is something which one just cannot accept as being fair to the people of the greater Winnipeg area, and indeed to the other urban centres in Manitoba. If we cannot have it corrected this time, then I hope when the next redistribution comes along we will have something more akin to fairness and more akin to the rules suggested by the hon. member for Quebec South.

Mr. Drew: Mr. Chairman, I would ask if, by agreement, I might be permitted to add one name to the list of constituencies in Ontario I mentioned. It has been called to my attention that I omitted reference to Haldimand. Since I was making general remarks, which will be followed by more detailed remarks, I wish to make it clear that I had intended to refer to the constituency of Haldimand.

Mr. Mutch: Mr. Chairman, I would not want this discussion to be concluded without saying a word about the redistribution in Manitoba. I feel impelled to do so, not only because of the interest I have personally, and which my constituents in the city of Winnipeg have, but also because of the attitude taken by the hon. member for Winnipeg North Centre, who has preceded me in the debate.

It is not to be interpreted that, representing as I have for a long time part of the city of Winnipeg, I am not most desirous that those people who now elect four members from greater Winnipeg should be entitled to every consideration possible in the matter of representation in the House of Commons. I am on record during an earlier discussion in this session as having said that the principle of representation by population has been given very wide lip service in this country, but that its application has not been attempted across the country as a whole. Even within the provinces there have been wide discrepancies.

I join with the hon. member for Winnipeg North Centre in rejoicing in the fact that in Ontario some approach has been made to drawing closer together the figures of representation between rural and urban constituencies. But I would point out to him and to the committee, and to any others who may be interested, that the situation in Ontario is hardly parallel with that in Manitoba, because there are comparatively few rural areas in Ontario which do not have urban centres in the form of large towns or smaller cities, most of which are larger than anything we have in Manitoba outside Winnipeg, with the possible exception of the city of Brandon.

This time, however, although I was not on the committee, it has been a matter of satisfaction to realize that we have come much closer to equality of representation within the urban areas themselves. The hon. member has pointed out that there is a spread of less than 5,000 among the four constituencies, and that three of them are within a thousand. He has also pointed out that, with the narrowness of the spread in the strictly rural areas, we have an approximation of equality in population between those two ridings which include the major cities in our province, and a fairly large rural area, namely Brandon and St. Boniface.

Right away I will say I agree with the hon. member for Winnipeg North Centre when he says that in another five or ten years we will have to pay more attention to the redistribution of representation within the province, weighting the strictly urban areas more heavily. That principle has been acknowledged already in the last redistribution in Manitoba, although there the city of Winnipeg is represented only by slightly less than one-fifth membership in the legislature whereas even under this new arrangement we have about 30 per cent of the federal representation.

I think it is only fair to point out that when we had the federal redistribution five years ago Manitoba lost a seat. We sacrificed one of the rural ridings in that redistribution; the city of Winnipeg was not called upon to make any sacrifice. We are now to lose two seats, one of which is Souris which is a strictly rural constituency. It has no large-sized urban centre, being made up of smaller towns and villages.

We have had to bear in mind throughout the years that while the province is becoming industrialized to a large extent, while there has been a tendency to concentrate population in the urban areas, there is a perfectly sound reason for weighting rather more heavily the urban centres in arriving at the representation. I say that although I represent a city riding.

Mr. Fulton: Could you ask the hon. member for New Westminster to have the same principles carried out in British Columbia?

Mr. Mutch: I am not an authority on British Columbia. I have troubles of my own in my own area. There are a few of these problems I should like to export to British Columbia where perhaps they would not be noted.

Mr. Knowles: Would the hon. member suggest what percentage of weighting he would regard as fair?

Mr. Mutch: No. I have not worked out the percentages of intangibles. I think in the confines of that province we have made a closer approach to representation by population, or perhaps I should say representation by community of interest in the national picture, than we ever achieved before. However, I would be the last one to suggest that there is perfection in it.

The hon. member spoke rather sadly about the elimination in this redistribution of the present constituency of Selkirk and expressed his personal regard for the sitting member. Apart from politics I share that regard, as I am sure do all hon. members of the house. However, we must look at the logic of what has happened. We must remember that the constituency of Selkirk was created for the first time five years ago. It does not have either the geographical homogeneity or the tradition which applies to many other constituencies. I was not on the committee, but I knew what was happening, and it seems perfectly natural to me that with the readjustment which was necessary the proper procedure to follow was the one which has been followed.

Another step has been taken which I am sure will commend itself to the hon. member for Winnipeg North Centre, namely, that we have drawn back into an urban area where there is a community of interest—this is important in matters of representation—both St. James and the Kildonans. While this has served to enlarge the seats of the Winnipeg members, except my own—mine is increased only to a small extent—I think it was a just redistribution and lays the foundation, if I may put it that way, for the point of view which the hon. gentleman has expressed as being desirable.

In my opinion we have not reached a state in the development of Manitoba where we are able to express adequately within the areas which the hon. gentleman and I and others represent, the general opinion of the province of Manitoba from the purely urban standpoint. While I regret, as I think everyone must regret, the increasing disparity between urban and rural ridings, we have made a substantial step toward the equalization of representation in each of these areas and we have approached full parity in the other two constituencies of Brandon and St. Boniface.

I do not know what the experience of my hon. friend has been, nor do I know what the experience of other hon. members who represent Winnipeg ridings has been, but I

have had no sustained or substantial protests against the increased disparity. Perhaps we in Manitoba have become accustomed—

Mr. Knowles: We are inured to it.

Mr. Mutch: Perhaps we have become inured to it, but I would say accustomed. Perhaps we have become accustomed to it from our experience in the province generally speaking. I am sure that the electors generally will feel that a serious approach has been made to equalization of representation, not so much by population in this case except within the respective circles, but in seeing to it that points of view, which after all are important, have been placed in the position where one area of a similar and economic general nature will be weighted equally with the other. Looking back over the last few years, I think that that is a substantial gain.

Mr. Fleming: Mr. Chairman, I should like to begin by commenting on the fact that this important matter comes before us at this late stage of the session. The bill is before us now because the committee continued to sit up until Saturday night. A great deal of work was done during that period and indeed over the week end by the secretary of the committee and others who had duties in connection with the preparation of the boundaries in the schedule to the bill. I think it is only proper that we should make a sincere acknowledgment of the efforts and extraordinary exertions made by the staff of the house, particularly the clerk of the committee, Mr. Chassé, in having the schedule prepared in its present form.

I think it is regrettable that the work has had to be done under such pressure. Even with the real and desperate efforts that have been made during the last day or two in proof-reading and checking the boundaries of constituencies, I am quite satisfied that even after the bill has had extended consideration, there will still be errors in it. I do not think a work as important as this should have to be done under such pressure and in such haste. It would have been much better had some of the alternative suggestions been accepted; it would have been much better had this bill been allowed to stand over for further consideration to a later stage of this session in November.

The chairman of the committee, the Minister of Citizenship and Immigration, in summing up the recommendations of the committee in general terms said that in the provinces it is proposed to create eight new constituencies; it is proposed that 125 constituencies be changed and that 130 remain unchanged. In speaking on second reading of the bill on Saturday I drew attention to the fact that as long as the present method of dealing with redistribution by a partisan committee is followed—when I say "partisan" I mean a committee composed of partisans from all parts of the house; it nevertheless still is a partisan committee with a majority of the partisans representing the party which holds the majority of the seats in the house—it is impossible to expect that principle will be followed or that it will be followed consistently. The fruits of such a system are to be seen in the glaring inequalities that appear before us, the strange and wonderful abortions of sizes and shapes of boundaries, and the complete disregard in so many cases of anything resembling a consistent retention of and adherence to principle.

In passing let me give one or two illustrations. According to the report of the committee the riding in Canada which will have the lowest population will have, under the 1951 census figures, a population of 9,999. While I have not the exact figures, the constituency with the largest population will have a population of some 91,000. Making all proper allowance, for we all do make allowance, for the necessity for giving larger and weighted representation to rural constituencies compared with urban, I say there are discrepancies here that simply cannot stand up to examination in the light of principle. Let us take the province of Ontario. We faced the fact that on the new basis the average population for the constituencies would be 54,000, and really desperate efforts were made to boost over the 30,000 mark all constituencies that had been below 30,000 in population. But we have finished up in Ontario, in the light of the schedule, plus the amendments proposed this morning by the chairman of the Ontario subcommittee, the hon. member for Ottawa West, with results like these. The constituency with the lowest population will continue to have about 28,000 and the constituency with the highest population will have about 91,000.

Making all proper allowances for what I have said is recognized by all parties and all members of the house, the necessity for taking account of the size of constituencies and the necessity for giving weighted representation to rural compared with urban ridings, we now face a situation such as I have described, and I say you simply cannot justify it in the light of any serious attempt to apply principles consistently.

Under this method we also see a defensive attitude taken by all members of the committee. I do not draw any distinction between parties in this respect because it is only to be expected that as long as we are working under the committee method a defensive attitude is going to be taken by

most when it comes to tampering with or changing ridings in which fellow partisans are the sitting members. I also wish to say, and I sought to emphasize this on Saturday, that after the experience I have had in sitting on the committee I am not unaware of the difficulties faced by those who represented the majority party on the committee. I am quite aware that they have had their difficulties too as well as those of us who represented opposition parties on the committee.

The hon. member for Ottawa West said this morning that there were no meetings of the Ontario caucus of the Liberal party from the time the committee began its work until the present time. The hon. member has made his statement. Nevertheless we were told on numbers of occasions that their members would not accept some quite reasonable and proper suggestions that we put before the committee. We were told: Our caucus for such and such a part of the province will not accept that. I leave it at that.

An hon. Member: Maybe you imagine that.

Mr. Fleming: As has already been indicated, the bulk of the work is done in the subcommittees. That is only natural because that is the proper starting point, but I have a very serious criticism to make of the way the main committee worked. It may be, like so many of the criticisms one has had to make, that it is something inherent in the present system, but the fact of the matter is that the main committee, when dealing with the reports of the various provincial subcommittees, gave very brief consideration to them. Attempts were made by opposition members to explain in a general way, but as far as members from other provinces were concerned—I am speaking now of the government members on the committee as I tried to observe them—I do not think there was very much attempt made to understand the problems of other provinces or the reports of the subcommittees from other provinces than that of the individual government member concerned.

It would be very interesting today to call upon members of the main committee to sit down and write an examination testing their knowledge of the recommendations of the committee respecting changes in boundaries in other provinces than the one in which they happen to reside. I think such a test would produce some interesting results. I mentioned on Saturday that when at one time I said in the Ontario subcommittee that I would carry a particular matter to the main committee I was met with the answer: "You will not change anything in the main committee." That was an answer by one of the government supporters in the committee—"you will not change anything in the main committee." How perfectly true that was, Mr. Chairman! It was just a case of going through a matter of form in the main committee. A subcommittee from one province would make its report and the government members from the other provinces were there to stand up and vote. Nothing was changed in the main committee. I am saying critically that I do not believe any serious attempt was made by Liberal members of the main committee to understand the reports of subcommittees from any other province but their own.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. Harris (Grey-Bruce): May I interrupt, Mr. Chairman, to have another amendment placed before the committee.

Mr. Boucher: I have an amendment which I should like to move when the matter of redistribution in Saskatchewan is before the committee. I should like to give notice now. The amendment reads as follows:

Deleted from Moose Jaw-Lake Centre and added to Qu'Appelle, are the following townships: 16, 18, 19 and 20, and that part of township 21 lying south of the Qu'Appelle river and the eastern two rows of sections in township 17, all in range 19 west of the second meridian.

Mr. Diefenbaker: What is the population?

Mr. Boucher: Approximately 1,000. The next amendment reads:

Deleted from Moose Jaw-Lake Centre and added to Melville, townships 22, 23, 24 and 25, together with that part of township 21, lying north of the Qu'Appelle river, and all in range 18 west of the second meridian.

Mr. Diefenbaker: What is the population?

Mr. Boucher: Approximately 1,200. The amendment continues:

Deleted from Moose Jaw-Lake Centre and added to Yorkton, townships 26, 27, 28, 29, 30 and 31, all in range 18 west of the second meridian.

The population is approximately 1,600. I shall reserve the remarks I have to make on this matter until a later time, Mr. Chairman.

Mr. Wright: What does that make the population of Yorkton?

Mr. Boucher: It makes the population of Yorkton approximately 49,900.

Mr. Fleming: What is now the population of Moose Jaw-Lake Centre?

Mr. Boucher: Approximately 53,000.

Mr. Fleming: There has been gerrymandering, Mr. Chairman, and there have

been glaring inequalities created by the proposed redistribution. I propose now to refer specifically to some of these. I do not intend to confine my remarks to one province.

History does repeat itself, Mr. Chairman. Those of us who were in the house at the time of the last redistribution in 1947 will recall the pattern followed at that time. It was not without significance that the ridings selected for major operations by the government of the day were the ridings represented at that time by leading figures in the Progressive Conservative party. One recalls some of those major operations.

There was the case of Mr. Bracken, then leader of the party, who represented the riding of Neepawa. Next to him was a riding represented by another Progressive Conservative, the riding of Portage la Prairie. What could be more obvious than linking those together? And that was done. Then, there was the financial critic for the Progressive Conservative party (Mr. Macdonnell), representing then the riding of Muskoka-Ontario. What could be more obvious than to liquidate him by annexing that riding to another? That was done. There was also the hon. member for Lake Centre. At that time a major operation was performed upon his riding. I think it is a great tribute to him that, in spite of the difficulties put in his path by those who were responsible for redistribution in 1947, he came out of the 1949 election with an even greater majority than in 1945. This was in spite of the best efforts of those redistribution surgeons who went to work on his riding in 1947. Then there was the hon. member for Kamloops, who was also singled out for a major operation. One could cite many others. The pattern became familiar, and what we have in 1952 is largely a repetition in that certain prominent members of this party have been singled out for special attention by the Liberal surgeons. It may be something of a compliment to be selected for this class, because the class is outstanding.

Let me review briefly the fate of some of those who have been marked out for special attention. I begin with the province of Saskatchewan. Again the riding of Lake Centre has been singled out for special attention. We see that when the major operation has been performed, the riding of Lake Centre has had removed from it no fewer than 90 townships. There remain 102 townships, but the operation does not end there. There has been added to this riding the whole of the city of Moose Jaw, with a population of some 25,000, as well as 25 other townships. Further, there have been added, from the city of Regina itself, 3,600 people off the riding of Qu'Appelle, and from the outskirts of the city of Regina itself 6,000 people have been added. According to the report of the committee, this makes a total for this riding of 56,800 people. With the exception of the urban riding of Regina, this rural riding is by a considerable measure the most populous of all ridings in Saskatchewan.

Now, Mr. Chairman, that is not the only consideration. It is not simply population and size, but the question of access which has to be considered. As most hon. members are aware, the riding of Lake Centre is bisected by Last Mountain lake, which is a serious impediment to access in that riding. It is quite possible in that riding to be ten miles from some place across the lake and have to go ninety miles around the lake to reach it. However, when the Saskatchewan Liberal surgeons had completed their surgery, we find Moose Jaw-Lake Centre to be one of the largest ridings in area and the largest in population outside of the city of Regina. We see interesting comparisons with some of the ridings around it. For instance, here is Qu'Appelle with a population of approximately 41,000; here is the riding of Melville with a population of 42,300. Both of those are smaller in area than the riding of Moose Jaw-Lake Centre. Then there is the riding of Yorkton with 48,300, and a still smaller area than the riding of Muskoka-Lake Centre.

Mr. Knowles: Who is doing the redistribution now?

Mr. Fleming: I mean Moose Jaw-Lake Centre. Of course there have been these last minute changes. The situation was a little too obvious.

Mr. Dewar: On a question of privilege, Mr. Chairman—

Mr. Fleming: We now find them introducing an amendment which will have the effect of taking a thin strip off this proposed new riding. Involving the subtraction of a total of 3,800, it will have the effect of reducing the riding of Moose Jaw-Lake Centre to 53,000.

Mr. Dewar: I rise on a question of privilege, Mr. Chairman. I am sure the hon. member for Eglinton wants to be fair in his remarks. The area in Yorkton, Melville and Qu'Appelle is something in the neighbourhood of 1,400 square miles greater than the proposed riding of Moose Jaw-Lake Centre.

Mr. Diefenbaker: Don't talk such nonsense.

Mr. Dewar: The hon. member says "Don't talk such nonsense." I know what I am talking about.

Mr. Fleming: It will not be too difficult, Mr. Chairman, to get the exact area. I think the

map speaks eloquently. With respect to comparisons of size and population, here are some of the interesting aspects that do not always appear on the surface. In some of these areas which have been shorn from Lake Centre, we have some interesting facts. For instance, here are the townships that have been shorn off to be added to the riding of Rosetown-Biggar. In the last general election the results were as follows. I will give the names of the candidates and the votes: Diefenbaker, 2,278; MacRae, Liberal candidate, 575; Valleau, C.C.F. candidate, 701. It will not be hard to find the reason for that particular shearing. Then we look a little further along and we find the polls that were shorn off and added to the riding of Yorkton. Here are the results in the last election: Diefenbaker, 367; MacRae, 207; Valleau, 498.

Mr. Harris (Grey-Bruce): Is that as a result of the amendment which has been placed before the committee?

Mr. Fleming: No. I think the shoe is on the other foot. I think the amendment may be the result of our bringing these facts to light now. Then there are the polls that were shorn off to be added to Humboldt. These were the results in 1949: Diefenbaker, 377; MacRae, 102; Valleau, 449. Then again these are the polls that were shorn off to be added to Melville: Diefenbaker, 425; MacRae, 282; Valleau, 401.

The net result of this shearing was as follows. Here are the votes: Diefenbaker, 3,447; MacRae, 1,166; Valleau, 2,049. You will see that in those particular areas marked for shearing, the hon. member for Lake Centre had a plurality of 1,398 votes and a clear over-all majority of 232. Is it any wonder that those particular areas have been marked off for surgical attention on the part of the government's representatives?

Then if we look at the ridings represented by ministers we find adjoining the riding represented by the Minister of Agriculture, that of Melville, which even after the changes proposed by the amendment, is going to be left with a population of 43,000 while just next door in an area which is larger—

Mr. Dewar: Not much.

Mr. Fleming: I have a difference of opinion with my hon. friends, and we shall have the figures on that matter.

Mr. Dewar: I had them.

Mr. Fleming: It is a much more compact riding, one not divided by a lake creating difficulty of access. The population is 43,000. These figures are not without significance. I think we can see a repetition of what has become a familiar pattern. The higher a man rises in the House of Commons and in the respect of the nation, as long as he is a Progressive Conservative, the more likely is it that the axe will fall on his constituency. That is quite apparent in the case of the distinguished and eminent member for Lake Centre.

Let us move a little further east. Let us move into the province of Manitoba. What do we find there? We find another of these extremely interesting situations. Before leaving the subject of the proposed new riding of Moose Jaw-Lake Centre, may I say that even with these changes that are proposed in the amendment this afternoon it will still leave in that riding 5,275 persons out of the city of Regina.

Mr. Coldwell: It is ridiculous.

Mr. Fleming: As the hon. member for Rosetown-Biggar says, that is utterly ridiculous. Surely it is enough that in this riding there is the city of Moose Jaw without putting into this riding of Moose Jaw-Lake Centre 5,275 persons from the city of Regina. In addition to that, Mr. Chairman, they are not satisfied simply with having these votes out of Regina. All the built-up suburbs of Regina are put into this riding of Moose Jaw-Lake Centre.

Mr. McCusker: I rise on a question of privilege. I am sure the hon. member who is speaking would not want to be wrong. I merely want to set him right. No people are being taken out of the city of Regina. The constituency of Regina is remaining practically the same as it is at the present time, unchanged. There are none being taken out. These votes to which the hon. member has reference were formerly in the constituency of Moose Jaw and Qu'Appelle.

Mr. Fleming: I thank the hon. member for his statement. I did not intend to convey the idea that these 5,275 persons were being taken out of the city of Regina for the first time. As I understand it, they are today in the riding of Qu'Appelle.

Mr. McCusker: No. They are partly in Qu'Appelle and partly in Moose Jaw.

Mr. Coldwell: That is right.

Mr. Fleming: What I am saying is that there is no occasion whatever for putting 5,275 people who reside within the municipal limits of Regina into the riding of Moose Jaw-Lake Centre. There is no rhyme or reason to it. In addition to that, they take all the people in these suburbs of Regina as well and put them into the riding of Moose Jaw-Lake Centre.

Mr. McCusker: On a question of privilege, Mr. Chairman, may I say that the city of Regina still remains the largest constituency in the province.

Mr. Fleming: I have already said that. I have said that it is the most populous. It has 66,000 people. But as the committee made this report, this particular riding of Moose Jaw-Lake Centre stands next. Surely no sensible person in the house is going to compare a small urban constituency like Regina with the huge rural constituency of Moose Jaw-Lake Centre. It is quite apparent that what has been done here is an abortion and that it has been committed at the intended expense of the hon. member for Lake Centre.

Mr. Blackmore: It sounds like an abomination.

Mr. Fleming: I come now to the province of Manitoba. Here we see a similar pattern. I have recalled what happened in the year 1947 when Mr. Bracken, representing the riding of Neepawa, happened to adjoin the riding represented by another Progressive Conservative, namely the riding of Portage la Prairie. What could have been more obvious on that occasion than to combine the two? And of course the same tactics have stood the Liberal party in good stead here again, because they found the hon. member for Souris, one of the leading members of this house, who has through three parliaments rendered very distinguished service in this house, and whose contributions—

Mr. Weir: On a question of privilege; my hon. friend has referred to the last redistribution of the province of Manitoba, laying emphasis on the joining of Portage la Prairie and Neepawa into one combined constituency. He overlooks the fact that the constituency of Macdonald appeared and was joined to the constituency of Lisgar which were both represented by Liberal members.

Mr. Fleming: I stand precisely by what I said. The hon. member for Portage-Neepawa can say what he likes about what happened to the constituency of Macdonald. I am talking about what was practised at the expense of Mr. Bracken and the Progressive Conservative party on that occasion.

Now we see the same surgical operation practised on the ridings of Souris and Brandon. They happened to be adjoining; they happened to be represented by Progressive Conservative members in this house. The hon. member for Souris, who has given distinguished service in this house through three consecutive parliaments and has contributed in a way that has reflected great credit upon him and upon his constituency, is particularly expert on problems of agriculture in this house, and I am sure no one is better informed of the problems of that industry. It happens that next door to him is the riding of a new member in this house, a very promising member, from whom great things are being heard and of whom great things are going to be heard in the future, the hon. member for Brandon. What could be more obvious there, ignoring other things, than to seize on these two ridings and link them together with obvious results?

Here is what we do find, Mr. Chairman, leaving out of consideration for the moment the four urban ridings in the city of Winnipeg. The new riding of Brandon-Souris is the most populous riding in the province of Manitoba, having 54,784 people. Is that a pure accident? Well, those who have sat in this house will not be no naïve as to conclude that anything so obvious was purely accidental. One may look at other ridings and see other ridings in this province substantially smaller in both population and area. But it has suited the purpose of the majority of that committee to take these two ridings and to unite them, with the obvious result that, as I have said, this riding is disproportionately large in both population and area.

Let us go to the beautiful province of Nova Scotia. Nova Scotia, it must be said regretfully, loses one seat in the current redistribution. That loss, it was agreed in the subcommittee for the maritime provinces, would come from the southern extremity of the province where four ridings would be combined into three, those four present ridings being Annapolis-Kings, represented by the distinguished member who happens to be president also of the Progressive Conservative Association of Canada; the riding of Digby-Yarmouth; the riding of Queens-Shelburne and the riding of Lunenburg.

It happens that a plan was offered to the Nova Scotia subcommittee which gave an opportunity of taking that area and dividing it almost exactly three ways. Had that suggestion met with approval, the riding of Annapolis-Kings would be retained with a population of 54,930, as at present. It would have remained unchanged. The riding of Digby-Yarmouth, with Barrington municipality included, would have had a population of 49,356. The riding of Lunenburg, with Queens and Shelburne municipality added, would have had a population of 53,619. That would have left Annapolis-Kings with somewhat the largest area of the three, and with a slight margin of population over the

other two. But that was not good enough. It looked like too even a break; it looked too much like equality; it looked like too much of representation by population, and so the surgical operation performed by the maritimes subcommittee has resulted in this. The riding of Digby-Annapolis-Kings now has a population of 66,510; the riding of Queens-Lunenburg a population of 45,800; and the riding of Shelburne-Yarmouth-Clare a population of 45,595. Where is the representation by population there? Where is the principle there, Mr. Chairman? Well, I will tell you what the principle was, Mr. Chairman, and it escaped the lips of a Liberal member of the maritimes subcommittee in the main committee at the conclusion of the discussion. He said this: "This goes back to the situation prior to 1947; this goes back to 1932. And if this division was good enough in 1932 it is good enough in 1952".

Well, Mr. Chairman, what are we dealing with? Are we dealing with the figures of the 1951 census or the figures of the 1931 census? And if we are dealing with the figures of the 1952 census, why should an attempt be made now to rake up old sores and try to settle old accounts? For we were told unmistakably that there had been some hard feelings created by what was done in 1932. So now Liberals were out to square up the accounts in 1952 for the errors of 1932, regardless of what it means in terms of principle, regardless of what it means in terms of representation by population. But, Mr. Chairman, this story does not end there.

I come now to the province of Ontario, and here we have this situation. I have time to mention only three cases which stand out and, I am sure, will appal a fair-minded person. Let us understand, Mr. Chairman, that there had to be changes in Ontario. Shifts in population had occurred. There has been nothing static, and changes had to be made. In every case that fact was faced up to by the minority on the Ontario subcommittee and faced up to frankly. But here is the result of the surgery practised there.

In eastern Ontario three townships and two islands now forming part of the riding of Frontenac-Addington have been added to the city of Kingston. The rest of the historic riding of Frontenac-Addington has been literally thrown into the riding of Hastings-Peterborough. The riding of Hastings-Peterborough is already today by far the largest riding in the whole southern part of the province. When I say "southern part of the province" I am including everything lying south of what we commonly refer to as northern Ontario and Parry Sound. But, by the time this surgical operation is completed, we shall see added to that riding which now embraces 28 townships another 21 townships, making a total of 49 townships. That is added to the population of this riding till it now becomes 43,741, and becomes a veritable empire in itself, with 49 Ontario townships in that empire.

For a basis of comparison let us look around at some of the adjoining ridings. Here I happened to notice Renfrew South, represented by a minister in this house. That riding has at the present time a population of 29,240. Well, just to even things up a bit, a total of 6 townships are added, bringing the population of the riding up to the total of 31,439.

Mr. McCann: Mr. Chairman, on a question of privilege, it is very evident that the hon. gentleman does not know anything about some of the townships which are added to South Renfrew. There is a township there—

Mr. Fleming: If the minister wants to make a speech—this is not a point of order—he can speak afterwards.

Mr. McCann: I say that you misrepresented—

Mr. Fleming: No, Mr. Chairman. If it is a matter of privilege, all right; but the minister wants to make a speech.

The Deputy Chairman: Order. As I apprehend it, the minister has risen on a question of privilege. I would like to hear the minister's question.

Mr. McCann: My question of privilege is that the hon. member is misrepresenting the position when he refers to the transfer of townships. One township that is transferred to South Renfrew is the township of Dickens. It is an entirely barren township. There are 16 people there; and I suggest that the name be changed to "Fleming".

Mr. Hees: That really stinks.

Mr. Fleming: Mr. Chairman, are you going to tolerate that? May I ask, sir, if you are going to tolerate that? It was put forward as a question of privilege, and you can see it had nothing to do with privilege. There was no correction mentioned, and the minister has chosen to interject a palpable, intentional insult. I request you, as chairman of the committee, to ask the minister to comply with the rules of the house at this point.

The Deputy Chairman: I cannot see that there was anything insulting in what the minister said. But in these matters where we are discussing certain ridings I would ask hon members of the committee to allow the person who has the floor to proceed

with his speech uninterrupted. If an hon. member wishes to reply at a later time in the debate with regard to matters being raised, he is of course at liberty to do so.

Mr. Harris (Grey-Bruce): I do not wish to interrupt the hon. member, but did he refer to the boundaries of the new riding, or to the old riding of Hastings-Peterborough, as it was before?

Mr. Fleming: In which remark?

Mr. Harris (Grey-Bruce): When you spoke about the area of the riding.

Mr. Fleming: Of Hastings-Peterborough?

Mr. Harris (Grey-Bruce): Yes.

Mr. Fleming: I said that the riding of Hastings-Peterborough prior to the redistribution—in other words, as it stands today—had 28 townships, and that there were added to it in the formation of the new riding of Hastings-Frontenac 21 townships from Frontenac-Addington making a total of 49 townships.

Mr. McIlraith: Many of them had no population at all.

Mr. Fleming: The fact of the matter is that there are over 17,000 people added. Over 17,000 people were added. The result is that this riding now has a population of 43,741. It is a veritable empire of 49 townships; while, right alongside of it, is the riding of Renfrew South which, even with the addition of six townships, will have a population of just 31,439.

Now, if you are looking for a basis of comparison, compare the riding of South Renfrew with this veritable empire, this proposed riding of Hastings-Frontenac. The Minister of National Revenue, who rose a moment ago in such dudgeon, is apparently uneasy. I can understand why he should be. His riding is increased by very little. It will be about half the size of the riding of Hastings-Frontenac and it will have 12,000 fewer people in it than the riding of Hastings-Frontenac.

Is that fair at all? Is that representation by population? The fact of the matter is that the minister refused to take any more, we were told.

Some hon. Members: No, no.

Mr. Fleming: Yes, he just put down his foot and said he would not have it.

Mr. McCann: I had nothing to do with it at all.

Mr. Fleming: I suppose that is the minister's contribution to fair play. But let us leave that monstrosity of a situation and proceed farther west.

[The Deputy Chairman.]

We then come to the riding of Haldimand which is represented in the House of Commons by a very distinguished and thoroughly admirable Progressive Conservative member of the house. The fact of the matter is that the result of the changes that have been made in Haldimand is to destroy a riding which has been traditionally Conservative, and to leave unchanged alongside of it a riding with over 89,000 people in it. This is the price that has been paid for the extermination of the riding of Haldimand, with 89,000 people remaining in the adjoining riding.

Is that representation by population—with 89,000 people in one county? There is no suggestion made of evening up the population there. There was a perfectly good plan put forward to even up the population; but the majority in the committee were not at all interested in evening up the population. They were only interested in the extermination of the riding of Haldimand. And they succeeded; they have done it. But they will be called upon to pay the price at the polls some day.

Then we go farther west. The reason given for the extermination, or for putting forward the extermination of Haldimand, was that there were in it 24,138 persons. But, you see, we come to the next smallest riding, farther west, which happens to be represented by a Liberal. It has 24,463 persons in it, or 325 more than Haldimand had. But let us see what happened. What treatment was handed out to it? All kinds of gymnastics were gone through in order to retain that riding in existence. Townships were picked off elsewhere and added to it here, yonder and different places, fiddling here and fiddling there with the riding, always in an effort to keep that riding alive.

Now, that is all very well if you can arrive at a result which can be justified in principle. But I am afraid we have a result where a riding with 24,138 in it is exterminated, without regard for the fact that alongside it is a riding with nearly 90,000 in it. And a little farther west we see another riding alongside others with populations not large, by comparison, a riding with 24,463 kept alive by all kinds of what I call gymnastics, juggling with townships here and townships there.

Now I wish to make a comment on what happened. Finally the subcommittee got down to changing four present ridings into three. Three of those ridings were represented by Liberals, and one by a member of the Progressive Conservative party. So you know what happened. It was perfectly

obvious. The one Conservative seat was marked out, and the plan that appears in the schedule to the bill represents a slicing of the riding into three parts. What could be more clear!

There is an amendment which was put forward this morning by the hon. member for Ottawa West, and which is an improvement. I have told him so, and I wish to repeat now that it is an improvement. It reduces the extent of the operation performed on the riding of Huron North. But the fact of the matter is that in the net result the hand is there. It is the same overriding purpose. And in the net result we have exposed the very same thing as happened in 1947, where this seat has been cut up as one returning a member of the Progressive Conservative party.

Now, it may be that this is a sort of compliment to members of this party, to be selected in this way for liquidation, and to have special attention paid to them by the Liberal surgeons on the redistribution committee. But in my submission those tactics are not good enough. Surely there could not be exposed a more palpable attempt to use the mechanism of redistribution to effect the liquidation of certain prominent and very active members of the official opposition.

Mr. McIlraith: To give the complete picture, refer to Glengarry-Prescott.

Mr. Fleming: I am very glad to do that, because I wish to be fair. The ridings of Glengarry and Prescott are, in the report of the committee, proposed to be united into the riding of Glengarry-Prescott. It so happens—and these were the reasons that prompted the committee to make this recommendation—that Glengarry has the smallest population of all the ridings in the province, a population of 17,702. Prescott is the fourth smallest, with a population of 25,576. That was the reason for joining them. We of the official opposition did not call for that. It was a situation which appeared to the majority of the committee from the beginning. It was not our suggestion. There the matter has stood.

Now that does represent as things stand—and I wish to be fair about it—a reduction by one Liberal seat in the House of Commons. But, Mr. Chairman, that is no answer at all to what has been done elsewhere. And it all points to this, that as long as this method is going to be used it will be possible for the majority on the committee—because the committee is composed of partisans—it will be possible for the majority on the committee to perform a surgical operation which will have the intended effect of exterminating political opponents who happen to enjoy prominence sufficient to attract that kind of attention. I said this morning that—

Mr. Blue: You said it several times.

Mr. Fleming: The hon. member who has just interrupted was one of those who had something to say about this. As a matter of fact, he objected. His riding has 28,205 people in it and he objected—I can understand his reason for doing so—to the addition of certain townships from the north end of Huron riding. His riding is a long, narrow riding, and that was one reason he gave for objecting. I am not castigating him for that, but the fact of the matter is that the net result is that his riding stands as unchanged, and will be the smallest in Ontario, while other ridings, like Haldimand, were marked out for extermination.

It is high time that a method was devised that will pay some attention to the maintenance of principle in these cases. When it comes to arriving at a fair approach to the problem of urban and rural representation surely there ought to be some agreement as to the principle to be followed. Every member accepts the principle that area should be taken into account and that rural representation should be higher in proportion than urban representation, but if you look over this map and compare urban riding with urban riding, and rural riding with rural riding, you will find the most extraordinary contrast, both in area and population.

That is the reason I compared the proposed new riding of Hastings-Frontenac with the adjoining riding of Renfrew South. Renfrew South contains the town of Renfrew but in the proposed riding of Hastings-Frontenac there is no town to compare with that in size. So that if anything, going on that basis, the riding of Hastings or the riding of Frontenac should have a higher proportionate representation than the riding of Renfrew South. But that is not what happened. The surgeons went to work and they practically doubled the riding of Hastings-Peterborough until it is a huge thing on the map here, when right alongside is another riding with less than half the area and only about 75 per cent of the population, which is represented by a minister of the crown.

I have just one other observation to make. I think due account should be taken of the demands upon ministers and I do not think that they should be singled out to have population thrust upon them where it would not be fair to do so, but by the same token a minister should not have any more favoured consideration than hon. members of this house who also carry heavy responsibilities.

If you look at the riding in northern Ontario represented by the Secretary of State for External Affairs—I am comparing it with other ridings in northern Ontario, not with ridings in southern Ontario or with urban ridings—you will find that in area it is one of the smallest ridings in northern Ontario. Even with some slight boundary changes which are proposed, it finishes up with a population of 32,000, which is 22,000 less than the present average of other ridings in northern Ontario. It is one of the smallest ridings in northern Ontario in population; it does not begin to compare in population with some of the large ridings in northern Ontario.

Hon. members may have their own ideas about the modern definition of pocket boroughs, but I am suggesting that simply because an hon. member of this house happens to be a minister is no reason for extending favourable consideration to him. This matter should be dealt with on the basis of principle and some sensible attempt should be made at achieving equality of representation subject to the proper considerations and allowance being made for the differences between urban and rural populations.

The amendments that have been put before the committee, even when all put together, are not really significant in changing the picture. What has been put before us in the report of this committee is I submit something devoid of principle. It is not a redistribution that may be said to be comprehensive. I urge that we ought not to adopt this scheme of redistribution. Let us find a better method of going about it if this is the best that a parliamentary committee dominated by a Liberal majority can do.

Mr. Ross (Souris): Mr. Chairman, I want to say something about this present system of redistribution. First of all, I would point out that there is a complete lack of principle in dealing with this redistribution across Canada. As has been mentioned in other debates, concessions have been given to Prince Edward Island in that they can never go below their Senate representation which gives them four seats. With less than 100,000 population it means that there are four constituencies with less than 25,000 population each. I am not objecting to that, but I do want to point out that differences do exist in certain parts of this country.

One of the first things this committee did was to bring in the formula known as the 15 per cent formula which provided that no province should lose more than 15 per cent of its constituencies as a result of the change in population as shown by the last census.

An amendment was moved that the formula should be 10 per cent, but that amendment was voted down on a partisan basis. Every member supporting the government voted down that amendment. Had the amendment been adopted it would have assured three extra seats on the prairies, one for Manitoba, one for Saskatchewan and one for Alberta. By not adopting the amendment three voices which could speak on behalf of those provinces were eliminated. That was a most important move by the committee.

It will thus be seen that we are not following a genuine principle across the country in an effort to achieve representation by population. It now means that Manitoba loses two seats and Saskatchewan loses three. Manitoba has gained in population in the last ten years while Saskatchewan has fallen off. The result is that it will require an average of 6,400 more population for a constituency in Manitoba to elect a member than will be required in Saskatchewan. That is a rather unfair situation to exist in two provinces situated side by side. As I say, one province has increased considerably in population while the other has faced a considerable decrease in population.

A great deal has been said by previous speakers about the way in which redistribution has been carried out across the country. As I pointed out, we had to lose two seats in my province. I was a member of the committee and I do not think we followed any general principle as to what seats should be eliminated. I do not think those two seats should have been taken from the opposition. We are losing one seat in central Manitoba which, as has been pointed out, has the largest population of any rural seat in the province. If it was right to take away one seat in the central part of the province, then I think that should have been followed by taking two seats.

The other seat was Souris, which has a small population. It is a corner riding. Irrespective of the stories that we have heard in the past, the first consideration of the committee when it met was whether the constituency of Lisgar should be eliminated. That is, we would take two corner seats, both of which were small in population, and make two seats rather than three in southern Manitoba. However, we got into an argument about racial origins and matters of that sort and it was decided that we could not proceed on that basis. It was decided we could not proceed on that basis but that was the first proposition. There were several counter-proposals discussed before the committee. As the result of all these discussions the proposal was adopted by a majority vote that in the

case of Souris some 84 townships should be joined with 53 townships of Brandon, including the city of Brandon which has a population of 20,000, thus giving a population of 54,784 to the new Brandon-Souris constituency. I think one should keep in mind that the number of townships involved is 137 because a comparison was made this morning by the hon. member for Winnipeg South, I believe, of St. Boniface and Brandon-Souris, and he mentioned how well it had worked out.

Before referring to that comparison I might say that there are another 31 townships of Brandon which will now be in Marquette constituency, and the other 18 townships of Souris are to be taken into the constituency of Lisgar. However, when anybody compares the proposed constituency of Brandon-Souris with St. Boniface I should like to point out that the city of St. Boniface has a population of some 26,000, 6,000 greater than the city of Brandon. The constituency of St. Boniface will now have approximately 33 townships including the city of St. Boniface compared with 137 in Brandon-Souris. The population of St. Boniface constituency will be 52,218 or only 2,500 less than Brandon-Souris. Surely there is no principle of parity there as to either area or population. I think the set-up of these two ridings is most unfair from the point of view of either area or population.

Several of the counter-proposals would have produced a much better looking map than is now the case so far as the map of Manitoba is concerned. With respect to the central ridings, part of the present riding of Selkirk is now to be included in Portage-Neepawa. If one wishes to leave Winnipeg to drive to Riding Mountain national park and Clear lake one will follow Portage avenue or St. James street and at the outskirts of the city one enters the riding of Portage-Neepawa which at that point is some eighteen to twenty miles across from north to south. When you reach Poplar Point on No. 1 highway there is a narrow neck in the constituency where it is less than six miles wide north and south. Then you enter an area which extends to a great distance north and south, and if you follow highway No. 1 to Carberry and drive north to Riding Mountain national park and Clear lake you cover a distance of almost 200 miles. On the map Portage-Neepawa has a very peculiar appearance. I admit that the community of interest is east and west and that one travels mainly east and west, but I do say that political considerations have certainly played a great part in the majority report presented on behalf of the Manitoba subcommittee.

I think the same thing can be said of several other provinces but I want to point out particularly what I think is a very great disparity between what now may be considered the urban-rural ridings of St. Boniface and Brandon-Souris. Again I repeat that I think it was quite unnecessary to deal with the ridings of Souris and Brandon as they have been dealt with in this instance. From the points of view of geography and representation I do not think there has been equality of treatment, and again I am bound to agree with those who say there has been considerable gerrymandering in the redefining of boundaries in the province of Manitoba.

Mr. Hees: Mr. Chairman, as I said when speaking in the debate on Saturday, one of the very desirable features of a redistribution commission would be that it would eliminate any chance of political vindictiveness or reprisal on the part of the party in power. I think anybody who has examined the redistribution that has taken place, will agree that there are at least three very regrettable instances of political vindictiveness. Three members who played a prominent part in bringing to light the gross negligence that the government displayed in mishandling the foot-and-mouth disease last winter—

Some hon. Members: Order.

Mr. Hees: We are over that spot now.

The Chairman: Order.

Mr. Gardiner: The mouth disease appears to be here.

Mr. Hees: —were the members for Lake Centre, Souris and Brant-Wentworth. It is obvious from the gerrymandering that has taken place in the ridings of these three members, that the government has decided that they must be taught a lesson, and set up as horrible examples of what happens to members who have the courage to stand up and expose the mishandling of affairs by the government.

An hon. Member: You want to be careful, George.

Mr. Hees: Take, for example, the riding of Lake Centre. That riding has been literally mutilated. There is no other word one can find to describe the situation. The riding has simply been mutilated.

An hon. Member: Obliterated.

Mr. Hees: Somebody has said "obliterated". For all practical purposes one can say that it has been obliterated. Large parts of the riding which have always been in the constituency of Lake Centre, and which have

always given the present member a large majority, have very conveniently been removed; and in their place, large areas have been substituted, such as the city of Moose Jaw, which, of course, has voted heavily C.C.F. in the past. Finally, from the riding of Qu'Appelle, which is right next door, 3,600 people have been transferred to Lake Centre.

An hon. Member: C.C.F.

Mr. Hees: They have been fairly strongly C.C.F., and they have been transferred to Lake Centre even though the riding of Qu'Appelle has a population of only 41,600, and the new riding of Moose Jaw-Lake Centre has a population of 53,000. I should like to hear anybody get up and try to justify that that little bit of gerrymandering. There is no explanation at all, other than the simple fact that the hon. member for Qu'Appelle happened to be a member of the Saskatchewan subcommittee on redistribution. He just did not want to have those 3,600 people in his riding any more, and so they were transferred to Lake Centre. That is the kind of explanation one finds all the way down the line.

Mr. Dewar: Speak for yourself. Don't speak for me.

Mr. Hees: Of course he was a Liberal or it would not have been done. Now take the cases of the hon. members for Souris and Brant-Wentworth. The Liberal party looked around and determined that these two members should also be taught a lesson. Unfortunately, there were no large handy blocks of C.C.F. votes to put in these ridings to help to eliminate the two present members, and the Liberal members in the adjoining ridings were not willing to give up Liberal votes to help defeat them. What did the Liberal party do? They simply joined the two ridings involved with two other Conservative ridings, in the hope that in the nominations for the combined ridings, the offending members would be eliminated.

That is the kind of thing that has been taking place with respect to redistribution, and those are three reasons why redistribution by an independent impartial commission is an absolute must if we are ever going to have the job done on a fair and equitable basis.

Mr. Boucher: What about Saskatchewan? Tell us about Swift Current and Maple Creek.

Mr. Hees: I was not a member of the redistribution committee, but I am told by those who were members of the subcommittees that in several cases the subcommittees did not at all resemble democratic committees; where people present their case; are heard in a democratic way; have the pros and cons of their case listened to; and receive a fair deal. In several cases, these committees were far more like kangaroo courts, with the decision made ahead of time, and the maps drawn before the committee even met. I think that is the kind of procedure that should be reserved for dictatorship. It is the sort of thing that happens in dictatorships, and the fact that the practice is creeping more and more into the way things are done by this government is, I think, very regrettable indeed. We have democratic institutions and ways of doing things, of which we are proud, and I am sorry to see that we seem to be slipping away from that democratic way and getting more and more into the dictatorial way.

I just have one last hope, and I suppose it is a last hope, that some of these real injustices will be reconsidered before this bill is passed, and that in the interests of fair play and good government these wrongs will be righted.

Mr. McIlraith: In view of the speech by the hon. member for Broadview I think perhaps I ought to take a few moments of the time of the committee to try to clarify some matters with respect to Ontario.

It is not always an easy job, of course, to deal with redistribution in a committee. I believe it is only fair that the house should be told that the smallest constituency in Ontario at the present time is Glengarry. When hon. members talk about historic constituencies and so on, it is probably well to realize that that county has had a very outstanding history. If the remarks about the great history of any county are to be applied to other counties, they certainly should be applied to that one. This constituency happens to be represented today by a Liberal. I think the term used by the opposition is a "distinguished" Liberal—certainly I think a distinguished and outstanding Liberal—but in any event that is the first constituency you deal with in Ontario.

This constituency was joined with the fourth smallest constituency in the province, Prescott. Prescott had a population of 25,576, and that is a constituency with a very fine history, too. It is a constituency represented in this house by a Liberal member. I do not understand why the opposition always pick out only one or two illustrations upon which to make their case. If they have an argument, surely they should deal with the whole matter. These two, the first and fourth smallest constituencies, were joined together. It is a most difficult and frankly embarrassing thing to agree to having them joined together,

but it is the fair and proper thing to do in all the circumstances.

Now then, the second smallest constituency in the province of Ontario is Haldimand. Much has been said about that historic county today. Abutting Haldimand on the one side is the constituency of Welland. A new constituency has been created there, but nothing has been said by the opposition about that new constituency so far. Not only that; another constituency that was mentioned a great deal this morning was Brant-Wentworth, represented in the house by an opposition member. This constituency extends from the city of Hamilton to the city of Brantford. Not quite half of its population was put in with a portion of the population of the present constituency of Wentworth, and the remainder was joined together with the second smallest constituency in the province. Naturally it is a matter of regret that there are two sitting members of the opposition party representing those two constituencies. I understand the feelings of the opposition members on that point, but those feelings are no greater than the feelings of other parties when these things arise, including the party in power at the moment. It is unfortunate that the present member for Brant-Wentworth lives in that part of his constituency that will be in Haldimand, if the suggestion now before the committee should be carried out. It is unfortunate, but the fact remains that the argument would have been completely destroyed if he had lived in that part of his constituency which is in the city of Hamilton. The argument is based on the residence of the sitting member, and not on a question of joining counties. It is unfortunate, and I am quite frank to say that I do not like the idea of the constituencies of the members being joined together like that, but under the circumstances I think it is the fair and proper thing to do.

The next constituency which has been mentioned is that of Wellington North. It is the third smallest, and I shall come back to it in a moment. The fourth smallest is Prescott, and I have mentioned what happened to it. The next one is Huron North. Huron North and Wellington North abut each other, and an attempt was made to work out something that would join those two together. As the hon. member for Huron North will be the first to agree, I think, it is not proper at all to do that, having in mind the layout of the counties and the surveys. It is not a proper way of approaching the thing. The surveys in that area, incidentally, are rather peculiar, and the boundaries of these old historic counties are quite curious because of the fact the surveys have different fronts. Some of them front on Georgian bay, some on lake Huron and some to the south. In any event, an attempt has been made to take the historic county of Huron and keep it—

Mr. Cardiff: Eliminate it entirely.

Mr. McIlraith: —as a constituency. It is quite true that in the effort to do that the county of Bruce to the north is left with a small population. We did suggest putting some of the townships out of Huron in with it and increasing the population by 4,000, but that suggestion was dropped because I think the hon. member for Huron North would be the first to agree that it is better to have them back in Huron, even though it does make for a disparity in population. Under the present suggestion, Huron will have practically all its townships, with the exception of two townships put into Wellington North, together with one township from Perth in the south; that is what was done there.

This brings me to the sixth smallest constituency in the province, which is the constituency of Hastings-Peterborough. Admittedly it is a large area. It is a very rough piece of country, and is serviced by one main highway, No. 7, running across it. This is what is to be done with Hastings-Peterborough. The smallest city constituency in the province was Kingston city with 36,000, obviously rather small when you are talking about areas as the hon. member for Eglinton was doing a moment ago. I did not compute the area of Kingston city, but I would think it would be of the order of one mile square. I am subject to correction on that point, but in any event it would be very small.

Mr. Fraser: It would be more than that.

Mr. McIlraith: Perhaps it would be one and one-quarter mile square, something of that order. What was done there was to take the suburbs of the city of Kingston where, incidentally, they are going through the problems of annexation with all that involves, and add six townships adjacent to Kingston city to bring it up to a population of 55,000. Surely, that is a fair and proper attempt to deal with the problem.

This left Frontenac abutting Hastings-Peterborough, the sixth smallest constituency with a population of 17,000. This 17,000 was combined with Hastings-Peterborough into a new constituency with a population of 43,000. It is quite true that the area of the new constituency is large, but I would point out that a number of townships in there have no population at all. Be that as it may, the population admittedly is large. It is an awkward constituency in that it does violate the

boundaries of counties; but there is no other way. None of these counties in the immediate area have sufficient population to stand on their own. There is one other feature. It is serviced by one main highway running right across its length and practically all the population is on that highway, with the exception of another branch highway to the north.

A great deal was said about Renfrew South in connection with the Hastings-Peterborough situation. May I just remind hon. members that if they can devise, for getting from Renfrew South into the Hastings and Peterborough counties, a way that is feasible and workable without travelling tremendous distances, I wish they would come forward with it. I do not know of any. There just is not any. The townships of Hastings-Peterborough abutting on the Renfrew South constituency just simply have not the population, nor is it possible to get access to them from that position.

Mr. Fraser: There is a highway right down to Kaladar.

Mr. McIlraith: I have examined the roads fairly well, and if anyone wants to argue on the road situation there I can say it is fairly bad. I think the hon. member for Lanark is reasonably familiar with the road situation and I believe he will agree with me if I go so far as to say that the road situation is rather bad in that area and that it is a fairly inaccessible area.

I have dealt with the six smallest constituencies and shown how they have been combined. Perhaps I should take the largest constituencies and show what has been done with them. There was one matter of some embarrassment; that was the city of Toronto. As everyone knows who deals with the city of Toronto, there is a question as to whether or not that city is over-represented. We passed that matter by and I think we were right in doing that, in all the circumstances. But I was rather surprised to hear the hon. member for Broadview, of all people, arguing the merits of redistribution in Ontario this afternoon; because if there is one thing that is self evident in Toronto it is that the area east of the Don river these three constituencies of Broadview, Greenwood and Danforth do fairly well on population figures, if you are talking about the elimination of constituencies. In any event, we agreed not to do that.

I think there is a situation there which, in fairness to the house, could not be overlooked; and I think we arrived at something that was quite workable. We took the smallest one, namely the constituency of Danforth in the city of Toronto and added 27,000 of population from the township of Scarborough immediately abutting that constituency. That procedure does not in any way do any violence to the road system. It is the back area immediately adjacent to Danforth. That is what was done there. In any event, I now revert to my former point, namely of taking the largest constituencies and dealing with them one by one.

The largest constituency in the province was York East with a population of 159,000. Of that number 27,000 were taken and joined to Danforth, the smallest city seat in Toronto. The remainder was divided approximately in two; and I think there can be no charge of unfairness with regard to our dealing with that constituency.

The next largest constituency is York West, with a population of 126,000. That was divided in two and I think there can be no charge of unfairness in the method of division. The two constituencies have a population within a thousand of each other.

Mr. Adamson: What is the population?

Mr. McIlraith: It is 126,420. I will give the precise population of the new constituencies if I can find the sheet. The new constituency of York-Humber will have 64,480 and the new constituency of York West will have 63,816. I was overgenerous when I said there was a difference of almost 1,000; it is 600.

The next largest constituency is Welland. Its population was 123,233. Incidentally it is a constituency abutting on Haldimand. Instead of amalgamating the two, we divided Welland in two. I have not the figures with me at the moment, but it is an even division. I think there can be no disagreement with the boundaries there.

The next largest constituency is York North, having a population of 122,538. That constituency was divided in two. The next largest constituency is Wentworth having a population of 119,728. That constituency, plus 750 of population that was in the former Brant-Wentworth constituency and was within the city of Hamilton, was divided in two, making a purely city constituency and another by putting together the remainder of Wentworth county that was in Wentworth constituency and the part of Wentworth county that was in Brant-Wentworth constituency. It seems to me that is the fair thing to do. That means Hamilton now has three wholly city seats and Wentworth county has one member with I think the right number of population in relation to a built-up county of that sort.

The next largest constituency was Sudbury. Subject to adjusting the population in order to meet the travel conditions with the two railway lines through the area, that constituency was divided in two; and I have not

heard a word of quarrelling or difference of opinion with respect to the division of that area.

The point I want to make is that I have shown how the six smallest constituencies were combined and the six largest constituencies were divided in two. It seems to me that point has not been dealt with by those criticizing the plan. The truth of the matter is that there cannot be much criticism within that field. The criticism I felt might be levelled at us is that maybe we did not go far enough, or that we should have continued and tried to readjust all constituencies. There are endless problems if you get into that field. However, I felt these things should be put on the record here in answer to the arguments of the opposition.

There may be things they want to say about particular constituencies, and I well understand their feelings with respect to particular members who happen to live in the areas being combined. Incidentally it arose only in one case as far as the official opposition is concerned, and in that case it arises only because of the fact that the hon. member happens to live in one part of his constituency. I would remind hon. members, when they speak so strongly on that point, that it is no less personally embarrassing and personally unpleasant to amalgamate constituencies which are wholly represented by Liberal members. It is no less embarrassing at all. I think the committee should realize that fact and deal with the matter on that basis.

Mr. Coldwell: Mr. Chairman, I think we have here an illustration of how redistribution should not be done. If ever a parliament had a demonstration of how it should not be done, this parliament is having one at the present moment. This is to a large extent an unseemly controversy largely among members of parliament.

I am not going to go into the details that have already been gone into by other members of the house regarding the various constituencies. I have before me a map of the province of Saskatchewan. I have a great respect for the Minister of Citizenship and Immigration. I am very sorry indeed that he is associated with the kind of thing that is being done in this redistribution, and particularly as I see the map of Saskatchewan at the present time. For example, I cannot understand why the constituency of Moose Jaw should include part of the suburbs of Regina as well as part of the city itself. I think the thing is so palpably absurd and so palpably abhorrent to both the people of Moose Jaw and of Regina that it is very difficult for me to understand why anyone would take responsibility for such a suggestion. Even at this late stage I think the parts of the city proper and the suburbs of Regina should be restored to Regina. As a matter of fact that would increase the population of that constituency to around 70,000 and the objection will be taken that 70,000 is above the quota set for constituencies under redistribution. There are 17 constituencies in the province of Ontario alone that have populations of 70,000 or over under the new proposed redistribution. There is one Nova Scotia seat which might be classified as rural, though there are some incorporated towns in it. I refer to the constituency of the hon. member for Annapolis-Kings, which will now be Digby-Annapolis-Kings. That has a population of pretty close to 70,000, over 66,000 anyway. The hon. member for Winnipeg North Centre says the constituencies of Winnipeg North Centre, Winnipeg South Centre and the other Winnipeg constituencies are all 75,000 or over. I am told that one of them has a population of 80,000. Then what is the objection to doing the right, the proper, the intelligent and sensible thing and putting the suburbs of Regina where they belong, namely in the city of Regina? It is absurd to take the suburbs of a city and put that suburban area into a rural constituency. Other areas included in Moose Jaw are inside the Regina city limits; I am talking about what were once the suburbs. They are inside the city limits. To put areas inside the city limits of Regina into the constituency of Moose Jaw is an absurdity, and I can tell you that both the people of Moose Jaw and Regina will resent it, and will properly show their resentment a year or so from now, as they should.

Mr. Fleming: The sooner the better.

Mr. Coldwell: The thing is so palpably a gerrymander that one could not resist rising and saying a word at this time.

I look at this map and note the area of Saskatchewan where the population has been increasing over the last ten, fifteen or twenty years, the northern portion. I find the constituency of whatever it is to be called, now Prince Albert, has a population of 56,000. Mackenzie has 49,600. Down in the southeast, where the population has been dropping, you find Moose Mountain with a population of 41,300 and Qu'Appelle with 41,500.

Mr. Dewar: It is 42,500.

Mr. Coldwell: That is under the amendment that was made this afternoon. Well, on the map it is 41,000. We now have it at 42,500. Then there is Melville with a population of 43,500. Those are in areas where the population has been dropping.

Mr. Gardiner: About the same as yours.

Mr. Coldwell: I know. Just a minute; I am not talking about my own constituency. I have not lifted a finger in connection with my own constituency.

Mr. Gardiner: No, but the population is about the same.

Mr. Coldwell: And I do not intend to lift a finger regarding it. But let me point out to the minister that if we had a commission sitting in connection with redistribution in my constituency I would not have 250 miles of an almost impassable river running through the centre and cutting it in half. I am not going to say anything about that, but I understand that the population of my proposed constituency is 44,300. The reason for that is that it has an area of very large farms, and the consolidation of the—

Mr. Gardiner: I am just rising to say that if my hon. friend will divide the number of rural seats into the population of the rural communities he will find that it is about that figure. That is the only reason.

Mr. Coldwell: Very good; but if that is the case, why 56,000 in Prince Albert-Melfort, in a district where the population has been increasing over the last while?

Mr. Boucher: Because of the large city of Prince Albert.

Mr. Coldwell: Look at the rural area in it.

Mr. Boucher: A large city.

Mr. Coldwell: A large city in it? Look at Swift Current, 50,700. If that is because it has a large city in it why should not Regina be in the same position? Why should a part of the city itself be taken out of Regina if you are keeping the whole of Swift Current and increasing the population of the Swift Current constituency? The same applies to Prince Albert.

Mr. Gardiner: It was not taken out; it was that way before.

Mr. Coldwell: Perhaps it was that way before, but that does not make it right. That is the whole point. It does not make it right; and the city of Regina—

Mr. Gardiner: They did not take it out.

Mr. Coldwell: The city of Regina has grown quite a lot in the last ten years, as the minister knows. I can remember that the first time I was elected to the Regina city council in 1921 the population was 26,000. Now it is 66,000. The fact that certain areas have been outside the city over those years and are now within the city limits does not mean that we should stick to the old boundaries of the constituency of Regina.

Mr. Gardiner: My hon. friend will not object if I state to him what was the basis that was taken by the provincial committee in Saskatchewan.

Mr. Diefenbaker: I did not think the minister was on the committee.

Mr. Gardiner: I can still talk, and I can hear, and the people who are on the committee talk to me, as my hon. friend knows.

Mr. Fleming: Hear, hear.

Mr. Gardiner: If my hon. friend thinks there is anything peculiar about that I should like to ask him if he discussed the matter with his own people, to find out whether any of them had opinions on the matter or not.

Mr. Diefenbaker: That is why my hon. friend—

Mr. Gardiner: Anyone who was not interested enough to discuss the matter in the last four weeks should not be in this house.

Mr. Coldwell: I had the floor. I was quite willing to have the minister say a few words, but I am not going to sit down and allow a debate between him and the other side of the house in the middle of my speech.

Mr. Gardiner: May I make a short statement?

Mr. Coldwell: How short?

Mr. Gardiner: Just about two sentences. The basis followed by the committee was this. They gave the two cities representation, and they figured it out at 66,000 in one and 56,000 in the other, approximately. They deducted that from the population of Saskatchewan. Then there were six city seats left, and they estimated about 50,000 per seat, not exactly 50,000 but about that, and then they took the rest of the population and divided it about as equally as they could among the other nine rural constituencies.

Mr. Coldwell: It is very interesting to hear the Minister of Agriculture tell us how the thing was done.

Mr. Diefenbaker: Sure.

Mr. Coldwell: Sitting beside me is the hon. member for Melfort. He was on that committee, and this is the first time he has heard how it was done.

Mr. Diefenbaker: And I am in that position.

Mr. Coldwell: So who actually did this job?

Mr. Gardiner: Anyone with a pencil could have sat down and figured it out at any time.

Mr. Harkness: It is a "jimmymander".

Mr. Coldwell: I think that as far as this map of Saskatchewan is concerned, it should be rejected in its entirety at the present time and the whole matter started over again. You have only to look at it, you have only to look at the way the jogs occur in the map, to see that certain polls have been taken from one constituency to strengthen or weaken another constituency, and so on, to realize exactly what has been done.

I am not going to make a long speech. I have now said all I wish to say. I think the manner in which this has been done is a reflection on the House of Commons. I think it demonstrates that we should do what has been done in Great Britain, Australia, New Zealand and several other countries, and turn over the matter of redistribution to an expert committee such as I suggested some years ago. I am not suggesting who the personnel of the committee should be, but I am suggesting the kind of committee when I say it should have a judge as chairman, and that as members of the commission there should be a statistician who could deal with figures, and a geographer or surveyor or whatever he would be called, to consider the topographical features of the countryside.

The procedure we are now following does none of these things. It is done purely on the basis of political deals. As one member of the committee said to me—and I am speaking of a government member—when I said something about redistribution, "We do not look at the map; we look into the faces of our friends." And the friends are on both sides of the house, may I add. I am not saying it is done always among political friends. Sometimes there are friendships across the floor of the house, and those friendships have some influence in setting up the constituencies.

I do not know of any stronger indictment that could be made of the manner of carrying out redistribution than the present proposed map of the province of Saskatchewan.

Mr. Gardiner: Except the one drawn recently in Saskatchewan probably.

Mr. Coldwell: My hon. friend says except the one drawn in Saskatchewan; but it was not an abomination like this one.

Mr. Gardiner: This is not an abomination. The other one was.

Mr. Coldwell: Let me say, because it is generally known that I did say this, that I said in Saskatchewan long before the redistribution was undertaken that it should have been carried out by an independent commission. I say that now, and I said it before it was done. But it was done the other way. After all, it may not have been liked, but it would not have made any difference to the results of the recent provincial election. This is the worst thing I ever saw.

Mr. Murphy: Mr. Chairman, I usually have good attention when I speak; no one interrupts me. I happened to be in the house when the hon. member for Ottawa West was doling out the soothing syrup. One would almost have thought from the tone of what he had to say that the operation performed in Ontario was a success.

I happened to be on that committee. I noticed this morning when the hon. member for Eglinton was referring to the dissection and the vivisection that took place, that he described it as a surgical operation, as if it were being performed by professional men. In my opinion it was nothing but plain butchery; and they used not only the butcher knife but the cleaver.

Anyone who would take the trouble to look at the map of Ontario, and the proposed redistribution, must be ashamed of the job that was done. We could take people from our institutions in Ontario who would have done a better job of it. They could not have done any worse. I do appreciate having been a member of the committee—

Some hon. Members: Oh, oh.

Mr. Murphy: While the Ontario subcommittee was a good one, I think the minister was placed in an unfortunate position. I do not think it was fair to place an assignment of this kind upon him as a minister of the crown. Those of us in the opposition attempted to do what was fair; but there was not much we could do. It was apparent from what happened that our representations were of no avail. That is one reason I spoke with such force on Saturday, stating that this kind of redistribution could not be worse if it had been handled by kids.

Some principle is supposed to be involved. Well, I never saw less principle than has been shown in the redistribution of Ontario seats. If the principle applied in one area did not suit the Liberal members on the committee, it would not be applied in another area. Or, failing that, they would apply a different principle.

We have a perfect set-up in northern Ontario, with its ten ridings averaging about 52,000 people. I should have thought that would have been a fair basis for redistribution in respect of the various seats, always having due regard to whether they are urban or rural. But at the very first meeting we were given the ultimatum that there was an extra seat to be placed in at Sudbury—no question about it. It just had to go in. Yet we find a minister's riding immediately to

the west, that of Algoma East, with a population of only 30,629. True enough they applied the cleaver here and there and gave him enough so he would be able to say that his riding was increased.

The same may be said of Renfrew South, which is represented in the house by another minister. And, by the way, if he wishes to designate as "Fleming" and "Murphy" the two townships to which he referred a moment ago, I would take one of them; but I would want to have my choice.

Mr. McCann: You can take the one with the 80 people in it; that is about your size.

Mr. Murphy: I would be very happy with those 80 people—

Mr. McCann: You would get lost among the rocks.

Mr. Murphy: —because some of them would be Irish. Under this method of carrying out redistribution we have one minister with a riding of only a little more than 30,000. The riding of the minister who served as chairman of the committee has a population of some 35,000. The hon. member for Ottawa West referred a while ago to the virtue to be found in the combination of Prescott and Glengarry. Well, that was a most obvious thing to have happened, in any event. Even if it were being done by a commission I am sure that would have been the result.

Then we come to Hastings-Peterborough. That was butchered. Then they butchered Frontenac-Addington, and gave part of it to Kingston and made another Liberal seat, though the result will likely be different. What disturbs most of us who have considered the matter at all is that no sane policy has been followed either in Ontario or in any other area. They made the claim this morning that two new seats were introduced, one at Welland and one at Hamilton. The population justifies that, of course, because Welland had a population of 123,000, and the Hamilton seats prior to redistribution were about 60,000 and 69,000 respectively. Then they took from Wentworth some 70,000 to make a third Hamilton seat.

Incidentally—I referred to this on Saturday—it seems unfair to members of the house because we simply wasted our time. Weeks and weeks before this committee was set up a map of the various Hamilton ridings and of the Wentworth riding was published in a Hamilton paper. That shows the ridiculous position in which the members of this house were placed. The time of hon. members was wasted by having to sit on this committee when the Liberal caucus might just as well have prepared the maps of these ridings and let it go at that. That is what happened in any event. I am quite sure that what happened here has happened in every other province of the dominion. A paper which is not unfriendly to the present government had this to say on June 18:

> Mr. McIlraith stated at the commons redistribution committee this morning that "unfortunately" the Ontario subcommittee is not yet ready to submit its report to the main committee.
>
> J. Leo Gauthier (Lib., Sudbury), a member of the Ontario subcommittee, remarked, "We're as ready as we'll ever be; might as well have the report now."

That is why I say a Liberal caucus could have gone to work, and that is likely what had been happening for months before the committee was set up. They prepared the boundaries and let it go at that.

The butcher boys certainly got to work in grand style. They wanted to eliminate the riding of Haldimand. Most of us sat in the house with the late member from that riding, and we were glad to have him in the house. We are also honoured to have the present sitting member for Haldimand. But the Liberals, who formed the majority, were determined that he would get the axe, and he got it all right.

What happened? They combined Haldimand with part of Brant. Brantford city with 48,016 remained the way it was. Brant-Wentworth could have stayed the way it was. Wentworth, with some 40,000 after the Hamilton part was taken out, could have stayed the way it was. But no, that would not do; they must cut down another Tory member. So they butchered Haldimand riding. They could have taken the townships of Gainsborough, Clinton, North Grimsby, South Grimsby including the village of Beamsville, into Haldimand. Those are all rural and farming townships and it would have formed a perfect riding. I do not think there is any area in Ontario that would lend itself so well to such a combination as Haldimand.

Then they talked about Lincoln. I would not have said anything about Lincoln if it was a riding of some 45,000 or 50,000, but Lincoln has a population of 89,360, so the Grits decided to leave it alone. I do not think there is anything fair in the method that was adopted or in the results that have been finalized. There are other ridings in rural Ontario which are smaller than the various ridings I have referred to, that is Brant-Wentworth, Wentworth, and Brantford. Renfrew South has a population of 29,240; Durham has a population of 30,115. But because this is represented by a Tory it has to be amalgamated in order to eliminate

that Tory member. But even with all that has been done I do not think there will be ten Liberal members from Ontario after the next election.

An hon. Member: Durham is a Grit riding.

Mr. Murphy: It was supposed to have been, but it was not in 1945 and I do not expect it will be in 1953. Just look at the way that map is butchered. They attempted to butcher Huron by taking three townships from the north and adding them to Bruce. Even with the amendment of this morning Bruce is still left with a population of 28,205. They propose taking out the riding of Huron entirely and calling it Huron-Perth. That is being done to eliminate another Conservative riding. There is nothing fair about it at all.

No doubt the butchering that has taken place in Ontario is the same as has occurred in all provinces. I gather this from what I have heard about Saskatchewan. They may call it "jimmymandering" out there, but I think in Ontario we can call it "georgemandering."

An hon. Member: George Drew?

Mr. Murphy: What we should do, and we still have plenty of time to do it, is see that some other method is adopted instead of wasting the time of members in trying to arrive at a settlement of redistribution which is by no means satisfactory. It was brought about on a political basis and no argument we in the opposition could make had any effect. I do hope that no future member of this house will have to go through the mess we had on this committee. As an opposition member you could accomplish nothing. Those on the government side rode roughshod over everyone else. They had their plans prepared in advance and they were announced in the newspapers. Those plans were carried out in spite of the opposition of members on this side.

The disgraceful attitude of the Liberal party in connection with this redistribution was indicated by the announcement weeks in advance of the committee being set up of how the ridings were going to be divided. It is about time we changed our minds about redistribution.

Mr. Harkness: Mr. Chairman, this morning the Minister of Citizenship and Immigration indicated the number of constituencies in which changes had been made as 124 and those in which no change had been made as 130. He made quiet a point of the fact that in the case of approximately half the constituencies no change was being made. I think we all agree that where no change is necessary in order to equalize population changes it is to the advantage of everybody that things should be left as they are. It disturbs people to be shifted around from one constituency to another and they do not like it.

It is rather noteworthy that as far as Alberta is concerned this general principle, if it was one, which the minister attempted to indicate was followed, was not followed. In fact no attention was paid to it. The minister stated that 15 seats in Alberta were being changed with two remaining as they were. With the exception of Manitoba and Saskatchewan, the greatest number of changes in constituencies is taking place in Alberta. In the case of Manitoba and Saskatchewan all constituencies are being changed.

This great number of changes is taking place in Alberta despite the fact that there is to be no change in the number of members from that province. We had 17 members before and we will have 17 members in the next parliament. In spite of that there were more changes than in any other province. In the case of Nova Scotia, where a seat is to be eliminated, there were fewer changes than in Alberta. Therefore it leads one to wonder why the Liberal majority on the Alberta subcommittee and on the main committee found it necessary to make all these changes in Alberta.

What has happened so far as the Calgary area is concerned is that boundaries that have been in existence in their present form since 1923, and to a large extent in their present form since 1911, have been completely done away with and other boundaries have been very materially changed. Something was said in the subcommittee about certain people having asked for a change. So far as I know none of the sitting members from the three seats covering various parts of the city of Calgary have received any complaints with regard to the existing set-up. I certainly did not receive any. The hon. member for Bow River, who was a member of that committee, stated that he had never received any. To my knowledge while the late Arthur Smith was the member for Calgary West he did not receive any, and the present member for Calgary West has certainly never said anything to me about having received any.

In spite of the fact that the three members representing that area were quite satisfied with the present set-up the Liberal majority on the committee insisted on destroying the present boundaries and changing things around more or less completely. The odd thing about it is that the city of Calgary under the present set-up has three constituencies each of which contains a part of the city of Calgary and has a rural area attached

to it. As it happens the population of these three constituencies added together is almost exactly the same as the population of the three new seats to be created in Edmonton by this redistribution. Edmonton formerly had two seats and an extra seat was added, giving an average population for the three new seats of about 61,000. Under the old set-up the average population for the three Calgary seats is about the same.

There is also the fact that when Edmonton was divided into three seats the same principle was put into effect that has existed in Calgary for the last twenty years. In order to build up the population sufficiently to justify a third seat in Edmonton some of the rural areas surrounding the city were included, so in the city of Edmonton you have three seats with rural areas attached to each. It is quite true that one of these seats has a very small portion of rural area attached to it, but the other two have a fair amount. Therefore under this redistribution the same general set-up was put into effect in Edmonton that had existed in Calgary for some twenty years. However, in spite of that fact the set-up in Calgary was destroyed and the city of Calgary was reduced to two purely urban seats.

The result of that action is of course to make the population of the Calgary seats upwards of 8,000 greater on the average than that of the three Edmonton seats. There was no necessity to create any disparity in population between the seats in Calgary and Edmonton. If the existing set-up had been retained in Calgary the populations would have been almost exactly the same, but by putting a new set-up into effect in Calgary the result is that it takes 8,000 more people to elect a representative in Calgary than is the case in the city to the north.

So far as the Calgary area is concerned, redistribution could have been carried out quite simply and easily and, so far as I know, to the satisfaction of all the people of the southern part of the province, certainly to the satisfaction of the members now representing the people of Calgary. All that was necessary was to leave the existing set-up as it was, move the boundaries a few blocks to the west in order to equalize the population, and redistribution in that area would have been accomplished. The population would have been equalized and so far as I know everybody concerned would have been happy except the Liberal machine in Alberta. The only thing I can believe is that the members of that party have some far-fetched idea that by juggling things around in this way they are going to do themselves some good, but I do not think for a moment that will follow.

[Mr. Harkness.]

In order to accomplish the changing around of the Calgary area the constituency of Bow River had to be excluded completely from the city of Calgary. There was added to it all the rural area that had formerly been in Calgary West and some of the rural area that had been in Calgary East, with the result that under this plan you now have a constituency extending from the British Columbia boundary at Trail some 200 miles to the east to within 84 miles of the Saskatchewan boundary, thus creating an unnecessarily large constituency. There was no necessity to create a constituency of that size and at the same time create a disparity in population between it and the two Calgary seats of some 28,000. The population of the constituency of Bow River will be down to something over 40,000 while the two Calgary seats will have a population of just under 69,000.

All these things, which were contrary to the principles we have heard should be followed so far as redistribution is concerned, were done in order to get rid of the existing set-up in Calgary. I think one of the statements made when this matter was discussed in the main redistribution committee explains the matter. It was said there that the existing set-up had to go, that it was the result of gerrymandering in 1933 and that the situation was just not going to be allowed to continue as it was. I do not know how the constituencies were established in 1933 because I was not here. However, I know that the constituency of Calgary East, which was objected to particularly, happens to be an area which at that time contained and still contains, in a strip about a mile to a mile and a half wide running through the centre of the city, the bulk of the population. That is the area in which the greatest density of population is found. I do not think there is any question but that the constituencies were set up in that form in order to divide the population evenly and to avoid having overly large rural constituencies.

I think the fact the statement to which I have referred was made in the committee is the explanation why there was such insistence on destroying a set-up that had existed in Calgary for such a long period of time, and putting into effect an entirely new one. The only argument advanced against the existing arrangement and in favour of the plan proposed in the schedule now before us was that the existing set-up looked funny on the map. If you look at the map of any province you will see many very peculiar looking constituencies. In other words, the argument that it looks funny on the map means absolutely nothing. It was a ridiculous argument.

The only other argument put forward was that Calgary should be made into two purely urban constituencies because two urban constituencies would be preferable to the existing partly urban and partly rural constituencies. As I said in the committee, there is no magic in a purely urban constituency. All kinds of arguments can be advanced in favour of a constituency which is both urban and rural. I think those arguments carry more weight than the argument that a purely urban constituency should be created wherever it is possible to do so. I think what we need in Canada is to get the people in the cities and in the country more closely together instead of trying to separate them by artificial means.

In order to indicate what is thought of this projected plan I should like to read a portion of an editorial which I just received today, and which appeared in the Calgary *Albertan*, a newspaper which has supported the Liberal party as long as I can remember. At the outset I might say that I believe this editorial could be summed up by saying that it condemns what has been done in the Calgary area by faint praise. The editorial says:

> The juggling of Calgary and southern Alberta federal constituency boundaries makes sense, in general, although it is disturbing that the parliamentary Liberals, who have no representation in southern Alberta and therefore know nothing about the region, forced the changes over the objections of the members who do know the region.
>
> This historic constituency of Calgary West, represented so illustriously by the late R. B. Bennett and the late Arthur L. Smith, passes out of existence. But Calgary North and Calgary South will continue to send capable men to parliament, we may be sure.
>
> Calgary is now split into three constituencies, Calgary East, Calgary West and Bow River. All three include considerable rural territory, and in the case of Bow River the rural section, including Drumheller, is actually in the majority. The new set-up strips all the rural territory away and leaves Calgary with two constituencies. Actually the city's representation is not increased although it has grown much faster than the province generally.

In other words, we are under-represented. We were under-represented before, and that under-representation will be considerably greater now.

> Population in each of the new city ridings is up to 20,000 higher than in the adjacent rural ridings, and that's not right.

As a matter of fact one area is up to 29,000 higher. The editorial continues:

> Is it better to have one member represent both city people and country people, or to have a separate representative for each? This is a debatable point. If an M.P. is responsible to both farmers and city folk he will understand the problems of both of them better. And since they have to live together, so to speak, there will be less occupational cleavage. On the other hand there may be a tendency, when one member represents too many different interests, to overlook the peculiar charms and problems of any one of them.
>
> The new Bow River constituency will stretch from Drumheller to British Columbia. That makes it something of a geographical monstrosity. But over most of that territory the population is sparse, and some other constituencies are even larger.
>
> The original Calgary constituency was created in 1903 and split in 1914, while Mr. Bennett was the member, into East and West. Calgary West is regarded as a Conservative stronghold. Calgary East, on the other hand, is good fighting ground for almost any party. Since 1917 it has been represented by Labour, Liberal, Conservative and Social Credit members. The current Conservative hold is precarious.

I shall leave out a portion which does not apply.

Some hon. Members: Oh, oh.

Mr. Harkness: I shall read it, if you like.

> But the easternmost part of the city, which has been in Bow River, is rebel territory, populated by working people who feel they owe nothing to the old-line parties. Not since 1917 has the constituency gone to a Liberal or Conservative.
>
> The new alignment will necessitate revision of the above generalities. With the Bow river the dividing line between Calgary North and Calgary South, and with Bowness in Calgary North, it can be assumed that the centre of gravity in Calgary North will be farther to the left than in Calgary South. In other words the Conservatives will probably be able to hang on to Calgary South, while they won't be secure in Calgary North. In fact, the cynic might be justified in saying that the revision of boundaries is an attempt to gerrymander the sitting Calgary East member, a Conservative, out of a seat.

That is from a Liberal newspaper, and they frankly state that even to them it would appear that this redistribution is an attempt to gerrymander me out of a seat. I can probably assure the members of the house that I do not think it will have that effect. However, that does not detract from the probable intention. Even at this late date I would think the only fair and reasonable thing to do would be to throw out the division that has been made in so far as Calgary is concerned, and go back to the original division. As I say, the whole thing could be done in ten minutes so far as that area is concerned. After the old boundaries are reestablished the constituencies could be equalized in size, but the traditional set-up would remain almost intact. Even yet I would hope that something along that line might be done.

Before I resume my seat there is one other matter I should like to mention. On page 71 of the printed copy of the bill, toward the last of the description of Bow River constituency, there is this statement following a semicolon:

> . . . excluding therefrom those portions of Calgary South in township 23 . . . and all Indian reserves or portions thereof within the area herein described.

As this reads, it would mean that all the Indian reserves on the Bow river, that is

three, would be excluded from the constituency. There would be, therefore, no constituency in which those people could vote. I mentioned this matter to the hon. member for Jasper-Edson, and he telephoned the chief electoral officer. I am told it was intended that the semicolon should have been put after the words "west of the fifth meridian". Then the following phrase would stand by itself:

. . . and all Indian reserves or portions thereof within the area herein described.

In other words, that would be removed from the exclusion. Even when the semicolon is put in the right place the wording is ambiguous, and I believe the description should be reworded so there is no question about the Indian reserves being included within the boundaries of the constituency.

Mr. Harris (Grey-Bruce): May I just interrupt to say that the last objection raised will be looked after.

Mr. Gauthier (Sudbury): As a member of the redistribution committee, both in 1947 and this year, I wish to take advantage of the opportunity this afternoon to reply to what the member for Sarnia said about northern Ontario. I hope I know more about northern Ontario than he does. I am not going to attempt to discuss that part of the province in which Sarnia lies. The hon. member started by saying that the redistribution committee had set out certain districts in the province of Ontario, northern Ontario being one, but I want to state that there was no such thing. We discussed with the opposition members of the committee what we were going to do in general, and as was pointed out by the hon. member for Ottawa West this afternoon it was decided that six of the smallest ridings of Ontario would have to be dealt with in some way and six of the largest ridings of Ontario would have to be dealt with. Now, northern Ontario happened to be—

Mr. Murphy: I wonder if I might ask the hon. member a question?

Mr. Gauthier (Sudbury): Yes, you can question me for twenty years.

Mr. Murphy: I would not need to question you for twenty years.

Mr. Gauthier (Sudbury): You would get answers for twenty years anyway.

Mr. Murphy: Does the hon. member deny that at the very first meeting in the railway committee room he said, "There is going to be another riding in Sudbury"?

[Mr. Harkness.]

Mr. Gauthier (Sudbury): Certainly; and there will be one in the next redistribution, too. We are growing three times as fast as you are in the other parts of the province. When we are entitled to it, we are going to get it. I want to continue by saying this. Ever since this morning we have been accused by members of the opposition with respect to the unfair attitude taken by the members of the redistribution committee. When one listens to the argument of the hon. member for Sarnia this afternoon—

Mr. Murphy: You might refer to him as the hon. member for Lambton West and be right. You might say something that is correct for once.

Mr. Gauthier (Sudbury): All right; the hon. member for Lambton West. We have heard accusations about unfairness. I might state that it is almost unfair on their part—I would not go as far as they go; it is always said by them that we are very unfair—to suggest that northern Ontario, having regard to the territory we have to represent in that part of the province, should be compared with the territory that hon. members represent in other parts of Ontario. I should say that it is not unfair for us when we get 100,000—we now have 95,000—in the district of Sudbury, to ask that Sudbury be redistributed.

Mr. Murphy: With 30,000 next door, represented by a minister.

Mr. Gauthier (Sudbury): Next door, the hon. member says. The western boundary is 200 miles away. That is next door? That is the figuring of the hon. member for Lambton West.

Mr. Murphy: It is the next riding to you.

Mr. Gauthier (Sudbury): I think the hon. member for Lambton West raised that point in the commitee.

Mr. Murphy: It is the next riding to you.

Mr. Gauthier (Sudbury): I cannot listen to the hon. member. I am trying to make my speech.

Mr. Murphy: Just stick to the facts.

Mr. Gauthier (Sudbury): We looked at the map. Naturally these men are not too familiar with our part of the province. The suggestion made by the hon. member for Lambton West was that we take a large part of the district of Sudbury and put it into East Algoma, the constituency of the Secretary of State for External Affairs. There is nothing I should like better than to have part of my district put into the constituency of East Algoma, but that could not be done. We have territories there that are not comparable

with those in other parts of Ontario, and you have to go along with what you have. The hon. member suggested that I take some 25 or 30 of the districts in Sudbury and put them in East Algoma; that would mean we should have to take at least 20,000 or 25,000 off Sudbury because we are now 95,000. That would mean that 40 per cent of the city of Sudbury, which lies almost in the east end of the Sudbury riding, would be in East Algoma and 60 per cent would be in Sudbury. That shows how much those hon. members know about northern Ontario.

Mr. Murphy: Why do you not apply that reasoning to Lincoln and Haldimand?

Mr. Gauthier (Sudbury): I should like to make another point with regard to northern Ontario and to mention the hon. member for Port Arthur, the Minister of Trade and Commerce. He represents 66,931 people, which is a larger number than that represented by any member from a Toronto constituency sitting in this chamber.

Mr. Fleming: Wait a minute.

Mr. Gauthier (Sudbury): I mean the average member.

Mr. Fleming: There are several Toronto ridings.

Mr. Gauthier (Sudbury): Yes, there are several ridings; but I said the average of the sitting members. He has a riding that is only 16 miles long. That is an example of the fairness of the members of the opposition to the members for northern Ontario.

Mr. Fleming: Will the hon. member not agree that right at the beginning the question was asked whether the Minister of Trade and Commerce wanted any change made in his riding? That question was asked by opposition members, and the answer we were given was no, that he wanted no change.

Mr. Gauthier (Sudbury): How could we expect to have more representation for that one, when Sudbury has 95,000? We are going to start with the largest, not with one of the smallest in northern Ontario. It is one of the largest in territory but it is not the largest in population. We are trying to get a fair representation and this is the way we are treated.

Mr. Murphy: Will the hon. member permit a question?

Mr. Gauthier (Sudbury): All right.

Mr. Murphy: Is it not a fact that at the first or second meeting the hon. member said the Minister of Trade and Commerce was satisfied with the riding as it stands?

Mr. Gauthier (Sudbury): No. There was never anybody satisfied. We are not satisfied yet. If this thing goes on much longer we will ask for another riding in northern Ontario.

I want to state to the committee here today that I am not quarrelling with anything that has been done with regard to any other part of the province. I do not know the other districts as well as I know my own part of the country. But I do not want anybody from some place down in western Ontario to tell me what is going on in northern Ontario. I come from northern Ontario and I think I know just as well as they do the territory in that part of the country.

In conclusion I want to say that I was greatly surprised this afternoon to find members of the opposition accusing us of being unfair in the committee in treating them as we did. We certainly could have decided to put one less riding in the Yorks, which would have meant just three divisions of the Yorks of 71,000 each, and still the whole territory of the York district would have been just ten times smaller than Sudbury district with 95,000 population. That is an example of fairness. I believe we were fair in giving three ridings to the Yorks, and only one to northern Ontario.

Mr. Murphy: Will the hon. member permit a question?

Mr. Gauthier (Sudbury): Go ahead.

Mr. Murphy: Is it not a fact that I said this afternoon, quoting what you said on June 16, that we might as well vote on all Ontario now because it is all settled?

Mr. Gauthier (Sudbury): I do not know what paper you got that from.

Mr. Murphy: It is from your paper, the *Citizen*.

Mr. Gauthier (Sudbury): I do not often talk to newspapermen. I never said any such thing to anybody. I did say that I felt northern Ontario was entitled to more representation on account of its population and the territory involved. I want to thank the members of the committee who so far have not advanced any more criticism than they have for the purpose of calling us unfair.

Mr. Welbourn: I should like to make a short statement in explanation of the division that took place in the province of Alberta. I should like to point out to the minister that in his opening remarks this morning, in regard to the province of Alberta, he stated that there two constituencies were unchanged and 15 changed. As far as constituency

boundaries are concerned, there were three constituencies in Alberta unchanged and 14 that were changed.

The subcommittee on Alberta was faced with two problems. The first was the decided population shift, and the second was the correction of a most glaring case of gerrymandering that was done in 1933 by a former government. I might say there has been no change in the distribution of seats in Alberta since 1933. In connection with the first problem I mentioned, the constituencies of Acadia, Battle River, Camrose and Vegreville were all low in population. It was agreed to make three constituencies out of the four; and because of the tremendous increase in the population of the city of Edmonton, it was necessary to set up a third seat there. All these changes, by the way, received the unanimous approval of the subcommittees, so I do not need to spend any time over them except to point out that it was because of this situation that there were so many changes in boundaries of constituencies in Alberta.

The problem of correcting the situation in the Calgary area was not so easy, and I may say we did not have the same unanimous approval. Formerly the city of Calgary was divided into three parts known as Calgary East, Calgary West and Bow River. The constituency of Bow River took in the eastern part of the city together with 96 townships of the rural areas. The former riding of Calgary East consisted of a narrow corridor extending from the north to the south through the centre of the city. In one section this corridor is only seven blocks wide, and it is only 16 blocks wide in its widest part. It has also had attached to it a rural area of 52 townships extending from the city of Calgary west to the British Columbia border. Calgary West did have the western portion of the city at least to justify its name, but it also included 96 townships of rural area extending again from Calgary west to the British Columbia border.

The committee decided to set up two urban Calgary seats made up of the city proper, together with certain suburbs, to be known as Calgary North and Calgary South. The rural part of Bow River, together with the former rural area of Calgary West and a small portion from Medicine Hat, will now constitute the constituency of Bow River, which will be a rural constituency.

Changes made in Macleod, Lethbridge and Medicine Hat were all of a minor nature to equalize population.

The hon. member for Calgary East regrets the loss of what he termed the historic constituency of Calgary West. I might say it was on his recommendation that Calgary was divided east and west, thus constituting the constituencies of Calgary South and Calgary North. As convener of the subcommittee, Mr. Chairman, I suggest that these changes are justified and reasonable.

Mr. Green: Mr. Chairman, I intend to confine my remarks this afternoon to one riding, that of Lake Centre. Representing one of the constituencies of western Canada I must protest the treatment that is being meted out to the hon. member for Lake Centre and to his constituents.

This afternoon the hon. member for Rosetown-Biggar dealt with some of the changes proposed for that riding but I should like to give them in a little more detail. The riding, under the 1951 census, was one of the six smallest in the province of Saskatchewan; at that time it had a population of 35,940; yet under the new plan there are to be very extensive portions of the riding taken away. In the old riding there were 192 townships. Under the new plan 90 of those townships are being transferred to other ridings, leaving 102, which include a large lake known as Last Mountain, which I understand is about 70 miles in length and a mile in width.

A large portion of the area and population being taken away is being placed in the riding of Rosetown-Biggar to the west. The present member for Lake Centre has represented the people in that portion of his riding for twelve years. He has received a very favourable vote in that district; yet these people are now being transferred to Rosetown-Biggar. Smaller groups are being transferred in the north to the riding of Humboldt, and in the east to the ridings of Yorkton and Melville. Then on the south there is being added to this former riding of Lake Centre, or what remains of it, the city of Moose Jaw and territory around the city of Moose Jaw; extending to the west some six or seven miles, and to the east from Moose Jaw right to and beyond the city of Regina, including over 5,000 people who actually live within the city limits of Regina and another 500 or 600 living in the organized municipality of North Regina; also others living in the suburbs of the city of Regina.

Many people who are being put into the new riding from that area lying to the east of Regina have been in the riding of Qu'Appelle, which I believe will still be one of the smallest ridings in Saskatchewan. It

is hard to understand why these people should be taken away from Qu'Appelle and put in this new riding of Moose Jaw-Lake Centre, which is to have—

Mr. Dewar: I will tell the hon. member why. Moose Jaw is semi-urban; Qu'Appelle is not. There is nothing in common in the two.

Mr. Green: This district has been in the riding of Qu'Appelle.

Mr. Dewar: Do you know how it got there? The late Mr. Perley, who was a very great friend of mine, an esteemed friend of mine, had it put there back in 1933. That is when it got there.

Mr. Green: The late Mr. Perley was also a great friend of mine; but the present member for Qu'Appelle has represented these people, and I see no reason whatsoever why they should be transferred to the new riding of Moose Jaw-Lake Centre, particularly when the population of the new riding of Qu'Appelle will be fewer than 43,000, whereas the Moose Jaw-Lake Centre riding will be over 53,000.

Mr. Dewar: It follows the pattern of the semi-urban riding.

Mr. Fulton: How many square miles?

Mr. Dewar: It has 3,816.

Mr. Fulton: That is semi-urban, eh?

Mr. Green: Who has the floor, Mr. Chairman?

The Deputy Chairman: The hon. member for Vancouver-Quadra.

Mr. Green: I do not think any member of this house can believe it is fair to put Moose Jaw city, a portion of Regina city and the suburbs of Regina into one riding, quite apart from any consideration of the old riding of Lake Centre. As the hon. member for Rosetown-Biggar has said, a change of that kind is simply ridiculous. I suggest, Mr. Chairman, that the manner in which this new riding of Moose Jaw-Lake Centre has been set up is an obvious attempt to eliminate John Diefenbaker from public life.

Mr. Ferrie: Rubbish.

Mr. Green: Someone says "rubbish".

Mr. Ferrie: I say rubbish.

Mr. Green: I repeat my contention that it is an attempt to eliminate John Diefenbaker from public life in Canada. I am sure the Canadian people will believe that from coast to coast.

Mr. Dewar: What happened the last time? You said the last time he was not going to be elected and he came back stronger than ever.

Mr. Green: You are trying to do the job a little better this time.

Mr. Ward: Lake Centre is still there.

Mr. Green: His riding is there in name.

Mr. Ward: The territory is still there.

Mr. Green: The riding is there in name.

Mr. Dewar: Sixty per cent of it.

The Deputy Chairman: Order.

Mr. Green: It has been altered in a way which is obviously unfair.

Mr. Ward: You have not the same respect for the hon. member for Lake Centre that the rest of us have.

Mr. Ferrie: Hear, hear.

An hon. Member: He has not any respect for him at all.

Mr. Gardiner: Any Conservative can win that seat if he is capable of being a candidate.

Mr. Green: I can only repeat, I believe this to be an obvious attempt to eliminate John Diefenbaker.

Mr. Jutras: Rubbish.

Mr. Green: He has been—

Mr. Jutras: He does not live in that constituency.

Mr. Green: He has been a severe critic of this government.

Mr. Diefenbaker: The hon. member across the way had better direct his last statement to some of the ministers over there.

Mr. Green: He has been a fair critic. He has been a great champion for western Canada. I resent an attempt of this kind to run him out of public life.

Mr. Gardiner: And we resent your saying that we have attempted it.

Mr. Green: He is admired and respected from coast to coast.

Mr. Ward: Of course he is.

Mr. Green: And he is one of the great public men of Canada of all time. If this plan is forced through it will be disgraceful gerrymandering. I believe it will be resented by all Canadians, no matter what their political affiliations may be. They need only look at the map to see the unfairness of this

proposal. I do not see how the Prime Minister of this country or the Minister of Citizenship and Immigration can sit back and countenance a change of this kind.

Mr. Fulton: Mr. Chairman, I am sure all hon. members will agree it is very strange that although we have had a debate extending over two-thirds of this day, nothing has yet been said about British Columbia. It is time to rectify that situation.

An hon. Member: We understand you are all in agreement out there.

Mr. Fulton: I would like to have as much hope that the proposed map of British Columbia might be rectified; but from what I have heard before, I think that is a forlorn hope. Nevertheless there are certain observations with respect to the proposals being made in British Columbia which I think should be drawn to the attention of the committee, in the hope that the same sort of wrong principle which I maintain has been followed in that province on this occasion may not be followed there at a later time.

All the arguments which have been heard today and the arguments I intend to put forward with respect to British Columbia do, I maintain, further reinforce the suggestion that instead of having redistribution carried out by a committee of members of parliament, with the inevitable manoeuvring and counter-manoeuvring and political considerations which must enter into the matter, it should be carried out by an independent commission which could look at the task impartially and report to parliament its recommendations so we might give our final approval.

This time we are to have four new seats in British Columbia. This means that our membership will increase from 18 to 22 members, or almost 25 per cent over the present number. This gives us an opportunity, or at least should give us an opportunity, which is unique, that of looking at the map of our province and placing therein the constituencies on a scientific and impartial basis so as to properly represent those areas having a community of interest, while at the same time relieving some of the bad features in the present distribution of constituencies in British Columbia, by reducing certain constituencies from their present enormous size—a factor which makes it extremely difficult, if not impossible, to represent those areas adequately.

But, instead of that, a Liberal majority on the subcommittee—and in this respect we have been in exactly the same situation as every other provincial subcommittee—decided there should be an arbitrary allocation of seats, one to the lower mainland area surrounding Vancouver, one to Vancouver island, one to the interior of the province and the fourth to the city of Vancouver.

As it happens I have no quarrel, in general, with the first three suggestions. But I maintain that the population figures of our province are such that there is no justification for placing one of the new seats within the city limits of Vancouver. I start with the fact that the national quotient obtained by dividing the population of Canada by the proposed number of seats in the House of Commons is approximately 54,000. I am told by the chief electoral officer that it has been traditionally recognized in Canada, as well as in other commonwealth countries—indeed, I believe he went so far as to say it is recognized in every democratic country with a system of representative government—that there should be a differential between the population average for city ridings and the population average for country ridings. The reason of course is obvious, namely that if one were to insist upon absolute equality of population between rural and urban ridings, rural ridings would cover areas which individual members would find it impossible adequately to represent. On the other hand, in the city ridings population is confined within a reasonably small geographical area.

I am told further that the average margin of tolerance in respect of the differential between city and rural ridings runs at a maximum of from 20 to 25 per cent. If one takes 20 per cent of 54,000, or approximately 11,000 he gets an average for city ridings of 65,000. If one were to apply the maximum of 25 per cent it would become permissible to raise the population of city ridings to 67,500, which would be 13,500 over the national quotient.

If you take the population figures for British Columbia and divide them by the number of seats now proposed to be given to that province, namely 22, you will find that the average provincial quotient works out to 52,964, or in round figures 53,000. Then if we divide the population of Vancouver by the proposed number of seats it is now to get—that is, six seats instead of five—we find the proposed average for city ridings in Vancouver is 57,856, or just about 5,000 over the provincial quotient and only about 4,000 over the national quotient. On the other hand the average for the remainder of the seats outside the city of Vancouver would then be 51,130.

We get the result therefore that under the proposed arrangement the city of Vancouver will have an average of 57,856 while the

remainder of the province will have an average of 51,130, or a differential of only 6,726 between seats in the city of Vancouver and those in the rest of the province.

I am not going to maintain that all the seats in the rest of the province are rural, because that is not correct; but for the purposes of my argument I confine my attention to the city of Vancouver. Let me say that all the people of British Columbia, including those in the interior of the province from which I come, are proud of the city of Vancouver. We know it is the finest city in Canada, and that so far as cities are concerned it should be entitled to the maximum possible representation.

But when you compare the present proposal as it affects Vancouver with the proposals for the other major cities in Canada, you find that not only is the differential between city seats in Vancouver and the rest of the province too low, but that the average size of the city seats in Vancouver is very considerably less than the average size of the seats in practically every other major city in Canada.

I gave the figure for the city of Vancouver on the present proposed basis as 57,856. Looking at the proposals as they will affect the other cities of Canada we find that the city of Winnipeg has an average for its constituencies of 76,945, or almost 20,000 more than the city of Vancouver. Incidentally in that connection we heard this morning the hon. member for Winnipeg South justifying that large population average for the city of Winnipeg by saying he recognized that there should be a differential against the city ridings. You will remember that I asked him to advance the same argument to the chairman of the British Columbia subcommittee, but unfortunately he declined to do so.

When you come to Ontario you find that the average for the Toronto seats is 64,000; the average for the York seats will be just under 70,000, and the average for the Toronto and York seats will be approximately 65,300, as against the average of 57,856 for the Vancouver seats. The average for the seats on the island of Montreal, which are not all city seats, is 65,000. The average for the seats in Calgary is 69,000. In every case the proposed average for Vancouver is substantially less than the average of any other city in Canada, and is only a little more than the average of all the seats in British Columbia, the vast majority of which are rural and which have a pressing problem resulting from their enormous geographical areas from which they require relief.

It has been my contention, and still is, that instead of that one extra seat within the city limits of Vancouver there should be two seats on the lower mainland outside of Vancouver. Not only would this give necessary relief to the lower mainland area—which now does not get the relief it should have and which is still going to have the New Westminster riding with approximately 81,000 people, and the two Burnaby ridings still very large—not only does the confinement of one seat within the city limits of Vancouver mean that the lower mainland area does not get the relief it should have, it means that there are not enough seats left to bring relief to the constituencies in the interior of the province which now have such huge areas.

If the proper principle had been adopted and two seats allotted to the lower mainland area it would have enabled the moving back northward and eastward of the boundaries of the seats immediately surrounding Vancouver, including Fraser Valley and Coast-Capilano; and that, with one seat going to the interior, would have enabled real relief to be given by adjusting the boundaries of the interior ridings of the province so as to make manageable constituencies.

As a result of the insistence of the majority of the subcommittee that their proposals be followed, we are left with the riding of Vancouver Centre with a population of between 47,500 and 48,000, one of the smallest city ridings in all Canada. There you have a population of 48,000 in an area of perhaps five square miles at the most. In contrast you have constituencies with 49,000, in the case of Kootenay West, approximately 40,000 in the case of Cariboo and 45,000 in the new riding of Kamloops which ridings cover areas of as much as at least 50,000 square miles on the average. On the one hand you have 40,000 people and an area of 50,000 square miles, and on the other hand you have 47,500 people and an area of 5 square miles. That is the sort of ridiculous situation you arrive at when you follow the wrong principle which the Liberal majority on the subcommittee has been following.

Just in passing it does seem to me that if they are going to do anything in Vancouver; if they are going to insist upon putting an extra seat in there, surely the time has arrived to adjust that situation and bring up the population of Vancouver Centre to something approaching that of the other city ridings.

Another result of the proposal of the majority on the subcommittee is in connection with Revelstoke. At present Revelstoke is in the Kamloops federal riding. I believe the people are reasonably satisfied to be there. I

have had no substantial complaints from that area against their being in the Kamloops riding, although representations have been made from time to time that the Revelstoke district has its community of interest, both geographically and economically, with the Kootenay country.

When the subject of redistribution was first discussed this year I received representations to the effect that the time had arrived when it should be considered whether Revelstoke should now be placed back in one of the Kootenay constituencies. In fact they named the constituency of Kootenay West. I replied that I did not consider that that was essential; that if it were done it would mean that the populations of Kootenay West and Kamloops, instead of being practically equal as at present, would be changed so that Kootenay West would be increased and Kamloops would be reduced, thus producing an inequality. But I did say that if any change were made with respect to Revelstoke it was my view that it should go into the Kootenay constituency where its community of interest lay.

Then as to the needed relief in the interior of our province; because there is to be only one new riding there, instead of further relief being afforded by way of two ridings on the lower mainland outside of Vancouver, as I have suggested; since there is to be only one new riding, all you can do in the face of the present figures is to divide the present riding of Yale, which has a population of nearly 80,000. But that would create a situation where you would have two constituencies of some 39,000 each, both with much smaller areas and substantially smaller in population than the next door riding of Kamloops, and about the same population as, but an infinitely smaller area than, Cariboo and Skeena, both the latter having less population than Kamloops.

It began to be felt by the majority of the committee that that would not be fair, that Yale should not be divided exactly in half but that a line would have to be run slightly north of centre. Then in order to bring the population of the northern half of the riding up to a point where it would compare with the southern half and the surrounding constituencies, it was suggested that Revelstoke should be added to the new North Okanagan seat. That has been done, with the result that instead of it being included in the Kootenay West riding as it should have been if a change was to be made at all—that is where the majority of the people wanted it to go—it is being artificially included in an Okanagan riding.

While it is true that Revelstoke is a lovely city with a beautiful golf course to which the people from the Okanagan area come over the week end; while it is true that they have joint curling matches, the fact is that being on the main line of the C.P.R., being a lumbering and mining area, that district has practically no community of economic interest with the Okanagan area. But it is being artificially taken from that area to which it belongs and is being included in the Okanagan riding, an artificiality created as a result of the improper limitation of one of the extra seats to the city of Vancouver.

This is about all I propose to say with respect to our province, except to say that it is regrettable that the same practice was followed in connection with British Columbia as apparently was followed in every other provincial subcommittee. I refer to the fact that although there were some general discussions, there was no discussion of detail; yet maps began to appear in the press which must have been inspired from somewhere, and which were stated to have been approved by the British Columbia subcommittee. They were released before the details were considered, and in some cases before the general principle concerning some of the ridings had ever been discussed in the subcommittee. That is particularly the case with respect to the first details released of the new riding in the city of Vancouver. The proposal, about which we first learned through these articles in the press, was to put a new riding in the city of Vancouver by making it stretch the whole way from the east boundary to the west boundary of the city, a perfectly ridiculous and absurd proposition. I wish you could see from this distance, Mr. Chairman, the way the thing looks on the map then released. We have heard various descriptions of this practice this afternoon. We have heard the expressions "gerrymandering" and "jimmymandering". The leader of the opposition said this morning that the word "gerrymander" originated in the resemblance of the proposal to a reptile, the salamander. This riding looks almost exactly like a salamander.

There is one other thing it resembles even more closely than a salamander. It starts with a long thin strip out in the west end of Vancouver, the Point Grey area, a curved strip which might be said to resemble a fairly convenient handle. Then it narrows into a long straight thin strip—I believe in one place to be only seven blocks wide—right across the centre of the city until it comes within a short distance of the east boundary—

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

Mr. Fulton: Not now—where it suddenly widens out into what obviously resembles the head of some cutting instrument. The whole thing is symbolic of the process it was then proposed to follow, namely to take an axe or cleaver and chop up the city of Vancouver to suit the supposed requirements and convenience of the Liberal members of the subcommittee.

Mr. Applewhaite: Would the hon. member permit a question now?

Mr. Fulton: Yes.

Mr. Applewhaite: Which constituency among those reported to the house is the hon. member discussing?

Mr. Fulton: I thought I had made it quite clear. I am sorry the hon. gentleman was not listening. I was referring to the original proposal of some members of the subcommittee, reports concerning which appeared in the press.

Mr. Gardiner: There is no such seat.

Mr. Fulton: The fact is this would have been a very obvious gerrymander and it did not carry the knowledge or approval of the subcommittee because it had not been disclosed, at least to myself, and I was a member of the subcommittee. As we learned the details later we found that the proposal carried with it a proposal that the riding of Vancouver-Quadra should be altered so that it would closely resemble in appearance this extraordinary absurdity, which was then proposed to be called either Vancouver-Langara or Vancouver-Narvaez. There were to be two equally hideous gerrymanders in the city of Vancouver.

Then we were told about the middle of June that the chairman of the British Columbia subcommittee had resigned. The reason given, according to the statements that were made, was that he was opposed to any gerrymandering. It is a strange thing that after the resignation of the former chairman of the British Columbia subcommittee, the member for Vancouver South, the proposed gerrymander in the city of Vancouver was dropped; and what has been done in the city of Vancouver, with the exception only of the refusal to alter the riding of Vancouver Centre, is sensible and sound and does not produce these monstrosities on the map. Therefore, whatever may have been said in the press as to the motives of the then chairman of the subcommittee in resigning, the fact is that since that time the proposed gerrymander has been dropped and a reasonably sound and sensible proposal, within the limits of the principles being followed by that subcommittee, has been adopted for the city of Vancouver.

In summary, however, may I say again that I believe it is unsound to insist that one riding go to the city of Vancouver, because of the artificial situation which that produces and because of the low average of population which will result for the seats in that city, and because it makes impossible the granting of necessary relief from their present size to the constituencies in the interior of the province.

I should like to turn for a moment to the proposed redistribution in Saskatchewan. I do so because for a short time I was a member of the Saskatchewan subcommittee. Once again, what happened in Saskatchewan demonstrates clearly the necessity for the submission of redistribution to an impartial commission. I have referred to some of the absurdities we had in British Columbia as a result of doing it not in a scientific and impartial way but within the limits of the considerations imposed by political considerations. That was even more clearly demonstrated in the case of the Saskatchewan subcommittee. About the middle of June the hon. member for Lake Centre had to absent himself from the house because of having accepted a previous engagement. I might say that that engagement was to speak to the annual international meeting of Kiwanians at Seattle, Washington, a gathering of some 12,000 people, the majority of whom were Americans although there were some Canadians. Owing to the fact he had accepted that engagement the hon. member for Lake Centre was absent from the house, and he asked me if I would take his place for the time being on the Saskatchewan subcommittee.

With the consent of the chairman of the main committee that alteration was made. That was on a Monday. I was in the house for the whole of that week and I was wondering when I would be called to a meeting of the Saskatchewan subcommittee—because the change in personnel had been announced in the main committee. On the following Friday at noon the chairman of the Saskatchewan subcommittee came to me and said, "We are going to have a meeting of the subcommittee on Monday at 12.30 in my office. Can you be there?" I said that I would go to his office at 12.30. I asked, "What is the purpose of the meeting?" He said, "It is to discuss the map. The map is being prepared now." I said, "Can I have a look at the map? Can I have a look at what you are proposing?" He said, "No, it is not ready."

I said, "It may not be ready for final publication, but surely you have some lines tentatively drawn on it. Can I have a look at it?" "No," he said, "it is not ready yet". I said, "When will it be ready?" He said, "It will be ready on Monday at 12.30", so I said, "All right, I will be there on Monday at 12.30". I want to be strictly accurate. It so happened that I was making a radio broadcast at 12.30 and it was not until 12.45 on the Monday that I went to the hon. member's office to attend this meeting.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at eight o'clock.

Mr. Fulton: When the committee rose at six o'clock, Mr. Chairman, I had just dealt with British Columbia, and had shown how the proposal there which is wrong in principle is now being carried into law as a result of this unfortunate procedure which we are following. This result would never have occurred had there been an independent commission handling redistribution. I then turned to the question of what is taking place in Saskatchewan—which demonstrates even more clearly the impropriety of this method—and stated that for a week I had been a member of the Saskatchewan subcommittee. You will remember, Mr. Chairman, that I explained the reason was that the hon. member for Lake Centre was compelled to be absent from the house, having accepted an engagement to speak in Seattle, Washington, at which time he added, I may say, further laurels not only to his own career as a public man but to the reputation of Canadians in international affairs. On that occasion he addressed an international audience of some 12,000 people.

During his absence, at his request and as the result of a motion made by the chairman of the main committee, I took his place on the Saskatchewan subcommittee. That was on Monday, June 16. I was here all during that week, and as I say I wondered when there was going to be a meeting of that subcommittee. On Friday, June 20, the chairman of the Saskatchewan subcommittee spoke to me and said there was to be a meeting in his office on the following Monday, that would be June 23, at 12.30. He said the map would be ready then. I said that was fine, but I wondered if I could see the map in the meantime, as I should like to take part in some of the discussion which apparently must be taking place in the subcommittee while the map was being prepared. He said the map was not ready. I said, "I quite understand the map is not ready for presentation or final publication; but obviously you must be talking about the map and must be drawing some tentative lines on a map. I should like, in my capacity as a member of the subcommittee, to take some part in this discussion." I asked if I could go to his office that afternoon, but he said no, the map was not ready. I asked when it would be ready, and he said it would be ready at 12.30 on Monday, so I said, "All right, I shall be there at 12.30". On Monday I was actually there at 12.45. By that time the member for Lake Centre had returned, and he was also there.

Mr. Boucher: You should have withdrawn when the hon. member for Lake Centre was there.

Mr. Fulton: I said I was there as a member of the subcommittee, as I was still an official member of the subcommittee until the chairman relieved me and reappointed the member for Lake Centre.

Mr. Boucher: Then the member for Lake Centre should have withdrawn.

Mr. Diefenbaker: He may as well have withdrawn.

Mr. Fulton: It would have been just the same if none of us had been there, for all the part that we were allowed to take in the discussion.

Mr. Boucher: On a point of order, Mr. Chairman, I thought it was not fair for me to show the map before the other members of the committee were there. One of the members was absent, and that was the reason the map was not shown.

Mr. Knowles: Where did you get the map?

Mr. Boucher: I got it that morning, but it was not fair to show the map while the hon. member was absent.

Mr. Fulton: The hon. member has explained the reasons which were in his mind at that time concerning why he would not allow any of us to take part in the discussion leading to the preparation of the map. The Minister of Agriculture has explained that, although he was not a member of the subcommittee, he was invited to take part in this discussion; but other hon. members who were members of the subcommittee were not allowed to take part in the discussion.

Mr. Boucher: That is wrong.

Mr. Fulton: However, be that as it may, as I have said, on this occasion, on Monday, June 23, not having been relieved of my

appointment I was still a member of the subcommittee although I took no particular part in the discussion of details. I was there in my official capacity, but expected to be relieved by the chairman of the main committee when we met that night.

On the desk in the office was a map, which was substantially the map I have here on my desk, with a lot of lines showing the proposed boundaries of the Saskatchewan ridings drawn in red pencil.

Some hon. Members: Black.

Mr. Fulton: No, the lines were drawn in red pencil and the old constituency boundaries were rubbed out in black pencil.

Mr. Dewar: The original lines were red and the new lines were black.

Mr. Fulton: I said, "What is this map?" They said, "This is a map of Saskatchewan". I said, "Who prepared this map?", and they said the surveyor-general had prepared the map. I said, "Well, let us not blame this on the surveyor-general; obviously the surveyor-general did not draw those red lines."

Mr. Boucher: On a point of order—

Mr. Fulton: Is it a point of order or is it just a speech?

The Chairman: The hon. member for Rosthern is raising a point of order. I cannot decide whether or not it is a genuine point of order until I hear it.

Mr. Boucher: I am sure no member of the committee said it was the surveyor-general who had drawn the map.

Mr. Fulton: There were a number of members there at the discussion, Mr. Chairman, and my recollection is reinforced by the recollection of others.

Mr. Boucher: But your recollection is wrong.

Mr. Diefenbaker: His recollection is right.

Mr. Fulton: In any event I said, "Let us not blame this on the surveyor-general. He may have prepared the map of Saskatchewan, but you are not suggesting he drew those red lines on it." They said that the committee drew this map, and I said, "What committee?" They said, "The Saskatchewan subcommittee." I said, "Wait a moment. You remember I asked on Friday whether I could have a look at the map and you told me the map would not be ready until today at 12.30. I am here, and this map is presented to us for the first time, so you cannot say the Saskatchewan subcommittee drew it, because it did not. There was one member of the subcommittee at least who had nothing to do with it." I think the hon. member for Melfort will state that there was more than one member of the subcommittee who had nothing to do with it; the members other than the Liberal members of the committee had nothing to do with drawing this map. One of the Liberal members finally said, "Yes, we three Liberal members of the subcommittee drew this map."

This afternoon we have heard the Minister of Agriculture himself say that he had spoken to, and had been spoken to by, the Liberal members of the Saskatchewan subcommittee. What has taken place is quite obvious. In spite of the requests of other members of that subcommittee to take some part in the discussion leading to the preparation of the Saskatchewan map, those requests were denied. The Liberal members of the subcommittee, under the instructions of the Minister of Agriculture, drew the map to satisfy their own ideas of how Saskatchewan should be divided up.

Mr. Boucher: That is untrue.

Mr. Fulton: And that is what we have before us today.

Mr. Dewar: Will the hon. member permit a question?

Mr. Fulton: Yes.

Mr. Dewar: It happens that I was on that committee, not through desire but as a result of being selected. I presented each member of the Saskatchewan group with a blank map. At no time have we had any suggestion or counter-proposal offered us in the form of a map.

Mr. Fulton: Will the hon. member ask his question?

Mr. Dewar: That is the question. Where is the map you fellows were going to draw? Have you ever drawn a map? We drew a map. You were entitled to draw one.

Mr. Wright: The hon. member never yet handed the rest of the members of the committee any map and asked them to put down what they thought.

Mr. Dewar: Yes, I did. I handed a couple of maps to the hon. member for Moose Jaw. He will bear that out.

The Chairman: Order.

Mr. Wright: He was not on this committee.

Mr. Knowles: He is not a member of the committee.

Mr. Dewar: I said "members". I did not say "committee men".

The Chairman: Order. May I ask hon. members not to participate in discussion

across the floor and not to interrupt the hon. member who has the floor unless it is with his permission.

Mr. Dewar: I apologize.

The Chairman: At the moment the hon. member for Kamloops has the floor.

Mr. Dewar: Yes; to my regret.

Mr. Hees: Dewar's special jurymen.

The Chairman: If the hon. member wants to ask a question he must ask his question and not make statements.

Mr. Dewar: I did ask a question.

The Chairman: Order. It looks as though the discussion should be proceeded with in a much more serious vein. As has been indicated from its inception, this debate is an extremely serious one and it seems to me that we are not going to make any progress unless we keep it at a high level. I must ask hon. members to observe the rules. The hon. member for Kamloops has the floor.

Mr. Fulton: Thank you, Mr. Chairman. Nevertheless the interruption by the hon. member for Qu'Appelle has served a certain purpose. It has demonstrated that he was showing maps to those whom he regarded perhaps as his own special friends, but who were not members of the Saskatchewan subcommittee, and that when a member of the Saskatchewan subcommittee asked to see the map, that member was denied any opportunity or right to see it until it had been worked upon by the Liberal members of the subcommittee and was ready for final presentation—which was made at 12.30 on Monday, June 23—

Mr. Proudfoot: That is incorrect.

Mr. Fulton: —with the lines that are now drawn on the map, with only one or two minor modifications which have been made since.

Mr. Hees: It was shown only to Dewar's special friends.

Mr. Adamson: They were the *ne plus ultra* members.

Mr. Hees: Dewar's special friends.

Mr. Fulton: When that was done—when the map was presented—I asked what opportunity there was going to be for discussion of the proposals contained in this map, what opportunity there was going to be for variation in the "jimmymander" which had taken place in that province. I was told that there was not going to be much opportunity because this map was to be presented, along with the final report of the Saskatchewan subcommittee, at the next meeting of the main committee which had been scheduled for 8.30 that night. So during the week—

Mr. Boucher: Absolutely untrue. There was plenty of opportunity.

Mr. Fulton: Mr. Chairman, did I understand the hon. member to say that is absolutely false?

Mr. Boucher: Absolutely. Plenty of opportunity was offered.

Mr. Fulton: I thought the hon. member said it was false. If he had said that, it would not be the first time he had said so and it would not be the first time he had completely twisted what actually took place.

Mr. Boucher: You are the twister.

Mr. Fulton: So although the map had taken a week at least to prepare, we were told about one o'clock on Monday, June 23, that this map was to be presented, along with the final report of the Saskatchewan subcommittee, to the main committee which at that time was scheduled to meet at 8.30 that night.

Mr. Boucher: Was it presented that night?

An hon. Member: Sit down.

Mr. Fulton: In spite of the fact that the house was meeting at 3.00 and again at 8.00, and the meetings of other committees which were sitting at the time, only eight hours were to be allowed for consideration of any variations or alterations to the "jimmymander" which had taken at least a week to prepare. It had taken a week—

Mr. Boucher: Ridiculous.

Mr. Fulton: As I say, it had taken a week to carve up Saskatchewan. My friend the hon. member for Eglinton used the expression this morning that the surgeons had gone to work; well, they may have been surgeons, but they were pretty crude. Perhaps the surgeons were somewhat the victims of their own chloroform; the knife made a number of slips from the line of equity and the body of the victim was badly carved up by the time they were through.

An hon. Member: Mutilated.

Mr. Fulton: The main committee did not meet at 8.30 that night.

An hon. Member: It met at 9.00.

Mr. Fulton: It met at nine and when it met it adjourned almost immediately because there were other unsolved difficulties in other subcommittees. At that meeting which took, as I recall it, about ten minutes on Monday night, the official motion was made and the hon. member for Lake Centre who had returned again became a member of the

Saskatchewan subcommittee; I no longer continued as a member of it. The details of the discussions which took place after that time are therefore something with which I am not familiar. But I am familiar with the fact that the map as it is now drawn and incorporated in the report of the Saskatchewan subcommittee is virtually the same map as was presented to us at 12.30, a week ago today, in the office of the chairman of the Saskatchewan subcommittee; and that map, Mr. Chairman, is nothing more nor less than an iniquity. That map is drawn clearly and obviously with the intention of eliminating the present constituency of Lake Centre and the member for it, and with the intention of throwing that constituency, which preserves the name but nothing of the appearance of the former constituency of Lake Centre, in with the constituency of Moose Jaw.

Mr. Chairman, I do not believe these things should be decided altogether on the basis of the individuals or the personalities involved. I admit that is an incorrect principle, although I must say that I recall other cases where constituencies have been preserved because of the personality of the individuals who happened to represent them. The obvious example of that procedure is what took place in the 1947 redistribution, when the constituency of Glengarry was preserved because it happened to be represented by the right hon. gentleman who at that time was prime minister, namely Mr. Mackenzie King.

Mr. Gauthier (Sudbury): The same thing was done in Haldimand in 1947.

Mr. Fulton: I am not denying that.

Mr. Gauthier (Sudbury): That is all right. Let us keep the record straight.

Mr. Fulton: I am saying it has been done in certain cases. Let us therefore look at what has been done here by deliberate design. This is not a case where it is just a matter of politics, where constituencies are being eliminated and somebody has to suffer; and if somebody has to suffer, it is obviously going to be "the other fellow and not myself". This is a case where a deliberate plan has been drawn so that two members of the House of Commons who are prominent, useful and distinguished members, both having tremendous contributions to offer but neither of whom is acceptable personally to the present government, are going to be pitted against each other in order to make it absolutely certain that one of them at least cannot come back here. Mr. Chairman, this thing far transcends the mere ordinary political consideration. In my view this thing which makes sure that either the present hon. member for Moose Jaw as an individual, or the present hon. member for Lake Centre as an individual, cannot come back here from that constituency is an affront to parliament and to the public life of Canada. It is on that ground that I say this map is an iniquity and should be withdrawn, and that the whole of the map of Saskatchewan should be redesigned.

Mr. Boucher: Rubbish.

Mr. Fulton: One could easily multiply these examples by others, but it seems to me these have been fairly fully rehearsed during the course of this debate. I want to refer to only one other and that is the constituency now represented by my deskmate, the hon. member for Annapolis-Kings. What we have in Saskatchewan is bad enough. We hear about the proposed constituency of Moose Jaw-Lake Centre being a semi-urban constituency. When I asked how many square miles there are in it I was told there were 3,800. Did you ever hear of an urban area of 3,800 square miles, Mr. Chairman? Did any hon. member in this committee ever hear of an urban area of 3,800 square miles?

Mr. Dewar: Semi-urban; get it right.

Mr. Fulton: You can see the length to which they are driven to justify the monstrosity they have perpetrated when they say that an area of 3,800 square miles is urban or semi-urban, to use the words of the hon. member for Qu'Appelle. He made very certain that his constituency of Qu'Appelle—

Mr. Dewar: Would remain entirely rural.

Mr. Fulton: It is small enough, abutting closely on the city of Regina; in fact, his constituency practically surrounded the city of Regina. The city of Regina is larger than the city of Moose Jaw, and using that same argument would it not be more urban or semi-urban than Moose Jaw-Lake Centre? But no; the hon. member for Qu'Appelle wanted to leave no doubt either as to the rural nature of his constituency or as to the possibilities of his winning that constituency in so far as he could ensure that result, and so he—

Mr. Gardiner: May I ask a question? Did not Lake Centre surround Regina following the last Conservative redistribution?

Mr. Fulton: I am not quite sure what the situation was there because I was not here following the—

Mr. Diefenbaker: Mr. Chairman,—

The Chairman: Order.

Mr. Dewar: His point of privilege.

Mr. Diefenbaker: It did not.

Mr. Gardiner: It almost surrounded it, except on one side.

Mr. Fulton: I have the map here showing the boundaries of Lake Centre and all the other constituencies around Regina as they were in 1947, in fact all the constituencies in Saskatchewan as they were in the 1947 redistribution, and I understand that the line with respect to Regina as it was in 1947 was the same as it was in 1933, and certainly the constituency of Lake Centre did not surround Regina. I did not know what the purpose of the minister's question was unless it was to leave with the committee a totally erroneous impression, and one which he himself knew to be erroneous.

Mr. Gardiner: It went two-thirds across the north side and all the way down the west side and two-thirds across the south.

Some hon. Members: Order.

Mr. Fulton: I think the minister has confused the constituencies. I am not surprised, because he has been drawing lines so rapidly and with such profusion and confusion that he is now confusing the former constituency of Lake Centre—which did not surround Regina—with the present constituency of Moose Jaw-Lake Centre which does—

Mr. Gardiner: I will send it over to you.

Mr. Fulton: —and which he has now placed together. The confusion is understandable, because the former constituency of Moose Jaw did surround the city of Moose Jaw, but Lake Centre as it was from 1933 to 1952 did not surround the city of Regina.

Mr. Gardiner: Not 1952; 1933.

Mr. Fulton: I am looking at the line on the map as it was in 1947, which was drawn—

Mr. Gardiner: It is 1933.

Mr. Fulton: —by the Liberal government, and the constituency of Lake Centre does not surround the city of Regina.

Mr. Diefenbaker: It has not since 1933.

Mr. Fulton: Now Moose Jaw-Lake Centre does surround the city of Regina; whereas the constituency of Qu'Appelle has had that area removed from it. It was already smaller than Lake Centre and it is now made even that much smaller by the loss of that area which has been added to the proposed new constituency of Moose Jaw-Lake Centre.

[The Chairman.]

Then we have the same process in reverse directed toward the member for Annapolis-Kings. That hon. member now represents a rural riding, larger in population by a considerable number than either of the two neighbouring rural ridings in that province; but instead of the relief being given in accordance with principle, as we were assured this subcommittee would follow the principle, further relief has been given to the neighbouring constituencies at the expense of the constituency of Annapolis-Kings which now is to be Digby-Annapolis-Kings.

Mr. Winters: May I rise on a question of privilege to correct the erroneous statement that relief was given to the neighbouring constituencies as proposed, and tell the hon. member and members of the committee that the proposed constituency of Queens-Lunenburg has a greater increase in point of population and in point of area than the proposed constituency of Digby-Annapolis-Kings.

Mr. Fulton: The point the minister has conveniently omitted from his remarks is that the elimination of a constituency in that area meant that there had to be additions to the surrounding constituencies; but the result of the additions, as carried out by the Liberal majority on the maritimes subcommittee, is that the constituency of Annapolis-Kings, which was already the largest of the three neighbouring constituencies by a very considerable amount, has been increased by a further 12,000 people to a total of 66,510, while Queens-Lunenburg, the county represented by the minister, or the constituency to be represented by the minister—

Some hon. Members: Hear, hear.

Mr. Fraser: Flap your wings now; you won't have a chance later on.

Mr. Fulton: —as he hopes; but I rather fancy that the people of Nova Scotia will know what has been going on and will know how to indicate their disapproval, as will the voters in other parts of the country.

Some hon. Members: Oh, oh.

Mr. Fulton: I can understand that these remarks are not acceptable to hon. gentlemen opposite. They did not give us a chance to say anything in the subcommittees; they might let us have our say in this committee.

Mr. Blue: You have spoken for forty minutes now and have not said anything.

Mr. Fulton: The proposed constituency of Queens-Lunenburg has been increased to 45,800, which is over 20,000 fewer people than the proposed constituency of Digby-Annapolis-Kings. But all these constituencies

could have been made very nearly equal by a perfectly proper—indeed a more proper—change in the constituency boundaries than that proposed; yet we find that here is another betrayal of the principle of equality directed exclusively and purposefully to the end of making it more difficult for the present member for Annapolis-Kings to continue to represent the new riding, and which can only have the additional result of ensuring that there have to be 20,000 more people in that riding to elect a member than in the neighbouring constituencies. The task of proper representation of that area is greatly increased.

Mr. Winters: It is the same area as the hon. member represented before.

Mr. Fulton: And it is the same area that he will represent again. But that is no justification for ignoring a proper, simple and obvious form of readjustment which would equalize three rural constituencies, and for putting 20,000 more in one constituency than in either of the other two.

This whole procedure is obviously improper but unfortunately, Mr. Chairman, we are left only with the conclusion that so long as redistribution is carried on in this way so long will we continue to have an improper readjustment of boundaries for proposed and hoped-for political advantage.

Mr. Cannon: The hon. member for Kamloops having brought us all the way from the Pacific to the Atlantic with that versatility for which I congratulate him, I think this is the proper moment for me as member for the Magdalen islands to take part in this debate.

While listening to this debate, and particularly to the hon. member for Eglinton this morning, I heard members of the opposition mention several times the exact number of electors in my county, although the name of my county was not mentioned.

Mr. Harkness: The number is 9,999.

Mr. Cannon: I am glad to be able to tell the hon. member that we have now passed the 10,000 mark.

Mr. Harkness: Were you responsible?

Mr. Cannon: I was responsible, but not in the way to which the hon. member is referring. I brought new industries to the county.

Mr. Harkness: What is the other one?

Mr. Cannon: The hon. member for Eglinton and other hon. members made reference to my constituency, and the fact of it being represented. Perhaps I imagined it, but I thought the hon. member for Eglinton was looking at me when he made certain statements this morning. Anyway, whatever my reasons may be, I think it is only right that as the first member for Iles-de-la-Madeleine in the House of Commons I should take part in this debate and defend the action of the government and committee in not changing the area of the constituency of the Magdalen islands by including them in another county.

Mine is a relatively small constituency—and this will not be a long speech. I can reassure hon. members that it will be short. Also let me say that I have such a good case that it will not take me long to convince members of the House of Commons that the committee did a good thing in leaving the Magdalen islands as they are. The constituency of Iles-de-la-Madeleine was created a federal riding in the redistribution of 1948, only four years ago. The house decided at that time that it should have its own representation in the House of Commons. Since that time the population of that county has increased. The reasons that existed at that time for giving it a representative of its own exist today; indeed, I shall try to show hon. members that they exist to an even greater extent now than they did at that time. Those who were on the redistribution committee in 1947 or 1948—I am not quite sure of the year—have told me there were three reasons why the Magdalen islands were made a constituency in their own right. These were ethnic, economical and geographic reasons.

The ethnic reason was that it was felt that the Acadians, the French-speaking citizens of Canada in the maritime provinces, did not have the representation they should have in the House of Commons. It is known that on the Magdalen islands 90 per cent of the people are French-speaking, and they are all of Acadian stock. It was felt therefore that they should be given an opportunity to be represented in the House of Commons by a French-speaking member.

The economic reason is that, although it is a small county, it is the county in my province in which there are the most fishermen. No other county in the whole of Quebec has more fishermen than have the Magdalen islands. As fishermen they have special problems, and it was felt that if they were left to form a part of another county, as they were when they formed part of the constituency of Gaspe, their member would not have time to give the amount of attention their problems require.

Hon. members may have noticed that during my membership in the House of Commons I have endeavoured to take a particular interest in the fisheries, and have tried to do what I could to improve the lot of the fishermen, by getting them harbours, wharves and breakwaters, with the assistance and

good will of my good friend the Minister of Public Works. These are the economic reasons for which the county was created.

There was also a geographical reason. As you know, this constituency is situated out in the middle of the gulf of St. Lawrence, far from any other land. It is more than a hundred miles from Gaspe and about the same distance from Newfoundland. There were only two counties to which it could have been joined. One of these was the county of Gaspe to which it was attached before. Gaspe already has a population of over 60,000, and hon. members will have noted that the average population for constituencies stands at 54,000. The other county to which it could have been attached was the county of Saguenay. But that county, too, has a comparatively large population. It is far removed from the Magdalen islands, and to have attached the Magdalen islands to the county of Saguenay would not have been a practical procedure at all. Perhaps I might draw the attention of the committee to the fact that both of these counties, Gaspe and Saguenay, are at this time experiencing a large increase in population. Through the discoveries of copper in Gaspe and iron ore in Saguenay, considerable development is taking place in those counties. Because of that they now have a considerable population, and because of the additional development which is increasing their population it would not have been practical to attach the Magdalen islands to either of them.

I submit therefore that the reasons that existed in 1948 when the constituency was created exist now with even greater weight. As we are nearing the end of the session—we hope—I shall not detain the committee longer. However, I did wish to set out these reasons which, I suggest, are good and valid reasons why my constituency should be left as it is. I submit that the committee on redistribution for these reasons did well not to interfere with the status of the Magdalen islands; and the suggestion that the government and the Liberal party were at fault in allowing such a comparatively small group to be represented by their own member in the house is unfounded. I wish to set the record straight, and to reject any such suggestion.

(Translation):

Mr. Chairman, I must say that it would have given me great pleasure to speak in French on this matter of utmost importance to the electors of the Magdalen islands, the matter of their right to be represented here, in the House of Commons. However, since the members of the opposition who have made the remarks I feel compelled to refute are English-speaking, I have deemed it advisable to use their own language. That is why I did not speak in French.

(Text):

On the general subject of the debate let me say that, as a new member in the house and in my first parliament, I have found it interesting to listen to what has been said in this debate on redistribution. While listening to it, however, I could not help thinking that much the same debate must take place at every redistribution after every census. My thoughts go back to 1932, when the Conservative party were in power and made the redistribution in their own way. At that time accusations of gerrymandering were made against them by the Liberal party, which was then in opposition.

I cannot help thinking that if members of the opposition are really sincere when they say they believe the problem of redistribution should be taken out of the hands of the House of Commons and referred to a commission they should explain why they did not do it when they were in power. My personal opinion is that the problem of representation in the House of Commons and the problem of the divisions with respect to the different federal constituencies is a matter that should remain in the hands of the House of Commons.

Mr. Fleming: Some of the ministers do not think so.

Mr. Wright: Mr. Chairman, I am sure that after listening to this debate, as you have, for the last several hours you must agree with me that this is about as weird a way of carrying on redistribution as anyone could very well imagine. One hon. member has described it as an abomination. Others have used other language. But what they all say amounts to this, that in the House of Commons we should find a better method than the one we are now using of carrying out a redistribution of seats in the Dominion of Canada.

I have not taken part in the debate up to this point because I have been waiting to see if I could make out any principle the government was following in the matter of redistribution. It seemed to me that they would have some general principle they would be following across the dominion. I was surprised when the hon. member for Ottawa West told us about the principle they had followed in the Ontario subcommittee, when he said that they had taken the six smallest constituencies and had added to them, and taken the six largest constituencies and subtracted from them. They had divided some of them, taken parts out of others, and

tried to get some equality so far as representation by population is concerned.

Mr. Fleming: But not very much.

Mr. Wright: But after they had looked after the six smallest and the six largest constituencies, or at least had done something about them, they seemed to throw up their hands and pretty much accepted the others. That principle certainly was not carried out in Nova Scotia. I was a member of that subcommittee and there we found that one of the largest rural constituencies in Canada, if not the largest instead of being reduced or left as it was had another 12,000 added to it. I refer to Annapolis-Kings, to which Digby was added. They have created one of the largest rural constituencies in the Dominion of Canada.

When we came to Saskatchewan they took the largest constituency there, divided it into four and distributed it among the other constituencies in the area, putting them in the position where they had from 8,000 to 10,000 more population than many of the other rural constituencies in the province.

Down in Nova Scotia they have another principle which they follow, the shore line principle. That is a new one. I did not know that members represented shore lines; I thought they represented people. They told us in the subcommittee that a member could have only so many miles of shore line in his constituency and therefore they had to take some of the shore line out of Queens-Shelburne or one of the other constituencies down there and place it in Digby-Annapolis-Kings.

When we get out to Saskatchewan we find that the hon. member for Lake Centre has a lot of shore line in his constituency. He has a lake running right up through it. However, the shore line principle was not followed in Saskatchewan; in fact they had no principle to follow out there. They followed the Minister of Agriculture. I think he is a poor man to follow as far as redistribution is concerned.

Mr. Fleming: A poor substitute.

Mr. Wright: A poor substitute for principle. For many years the Minister of Agriculture has been following a narrow line between truth and fiction. As he gets older the line gets more faded and he wanders off into the realm of fiction more and more. The result is that we have a pretty weird redistribution as far as Saskatchewan is concerned.

I think it is ridiculous the way this redistribution has been carried on. In Saskatchewan we find three constituencies up in the northeast corner of the province, Humboldt-Melfort with 53,500; Prince Albert with 56,000 and Mackenzie with 49,600. Any hon. member looking at the map will realize that that is a new area. It contains a considerable acreage of land which is being taken out of the forest reserve and placed under cultivation every year. Last year between 300 and 400 half sections of land were taken out of the forest reserve and placed under cultivation. Families were established on that land. There are 750,000 acres in one area in the constituency of Mackenzie which in all probability will be settled in the next ten years.

Mr. Dewar: Why is the population less than it was in the last ten years?

Mr. Wright: I am not talking about what happened in the last ten years, I am talking about what is likely to happen in the next ten years. That is the trouble with the Liberals, they are always looking backward, they do not look ahead. This is the only really new area in the province. It is being opened up and a large population is being placed in each constituency.

Then down in the southeast corner of the province we find the constituency of Moose Mountain with 41,300. There is the constituency of Qu'Appelle with a population of 42,500. Then there is Melville, represented by the Minister of Agriculture, with 43,500. After looking at the map one realizes that the only principle they could have followed in Saskatchewan was that the constituency of Melville must not be interfered with, or as little as possible; the constituencies north and south were to be maintained. After that anything could happen, and pretty nearly anything did happen so far as representation by population in that province is concerned.

I was on the Saskatchewan subcommittee for the 1947 redistribution. The present leader of the opposition in Saskatchewan was on that committee. He drew a map, just as the Liberal members of the subcommittee drew one this year. I said then, and I say now, that at least he followed some principle. The principle he followed was to try to maintain representation by population in the province with a variation of not more than 10 per cent. He carried that out pretty well, but this time that principle has been thrown to the winds. Apparently the Minister of Agriculture does not believe in it, or the committee does not believe in it. I do not know on whom to place the blame. The indications before the election, according to the press, were that the constituency of Assiniboia was to be eliminated. Apparently

the election results changed the minds of certain people and they decided to do it another way. So we find the constituency of Swift Current taken out and the constituency of Assiniboia again on the map. I think it is a fairer map than it would have been had they carried out the original intention.

This whole redistribution, not only as it concerns Saskatchewan but as it affects the other provinces as well, has apparently been built around individuals rather than around the basic principle of representation by population, representation to conform with the geographical areas to be represented.

In the constituency of Melfort, which was taken out, we had a constituency consisting of the drainage area in the northeastern part of the province from the Carrot and Saskatchewan rivers. The people who have gone into that area during the last 30 or 40 years have similar ideas and carried on similar pursuits. I think that constituency should have been left on the map. But it is taken out and the population redistributed, with the result that we do not have representation by population in the province of Saskatchewan. All we have is a mess. I think any honest person who looks at the map will agree with me.

When I was speaking in the main committee on this subject I mentioned that the population of the new constituency of Humboldt-Melfort would be some 53,500. At that time the hon. member for Rosthern rose and said, "Yes, but you have three towns in there, Humboldt, Melfort and Tisdale; besides that, the people in the area have large families." Just why people with large families should not have the same representation as people with small families is something I do not know. Apparently that is another new theory in redistribution which has been developed.

There you have it. The most weird excuses have been given for this map which has been described by some as an abomination. I could refer to the constituency of Lake Centre, but I am going to leave that to be dealt with by the hon. member for Lake Centre. I know he is quite capable of doing that. The whole thing is simply ridiculous. I do not think anyone can make out an honest case for what has been done in Saskatchewan. I am not going to deal with the other provinces except Nova Scotia, because I sat on that subcommittee. Exactly the same performance took place there. The thing is ridiculous. You have the constituency of Digby-Annapolis-Kings with 66,510, and then a constituency right alongside represented by the worthy Minister of Resources and Development having 20,000 people less. I like the Minister of Resources and Development, but why should he represent 20,000 fewer people than the hon. member for Digby-Annapolis-Kings? It just does not make sense. Therefore I hope that we can all agree at the next session or the one following that to do away with this method of redistribution. It is so ridiculous that one only has to talk about it to see people smile. I am sure if people throughout the country were listening to this performance, of if they read *Hansard*, they would be a bit disgusted with the method we are following at the present time. If we want democracy, if we want representation by population, then let us do something different from what we are doing now.

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

Mr. Wright: Yes.

Mr. Weir: The hon. member and others from the province of Saskatchewan particularly have been labouring over the redistribution in that province, but they have entirely lost sight of the fact that Saskatchewan actually has more constituencies than it would be ordinarily entitled to. Are you better off under the present arrangement or would you be better off if you had lost three more seats?

Mr. Wright: The answer to that question is obvious. Of course we are better off with the present method of redistribution; but that has nothing to do with the redistribution within the province after the question of the number of seats has been decided. Legislation was passed to provide for the number of seats. A special amendment was introduced to correct what we thought was an injustice that was being created there. I think all members of parliament agreed that there was an injustice, and so far as I know the amendment was passed unanimously by the house.

Mr. Weir: Will my hon. friend not give the government credit for permitting Saskatchewan to have additional representation?

Some hon. Members: No.

Mr. Fleming: No.

Mr. Wright: That is a different problem altogether. I do not know whether the government would have followed the method they did if we in the opposition had not had something to say about it. When the Prime Minister was talking about the matter he said it was a decision of the house and not a decision of the government.

Mr. Weir: Is it not also true that the constituency that has disappeared in the province of Nova Scotia was represented by a Liberal member in this house?

Mr. Fleming: What has that to do with the question of equal distribution?

Mr. Wright: You know that as well as I do.

Mr. Harrison: I should like to ask the hon. member a question if he would care to answer it. How does he reconcile the speech he has made with the actions of his own party in the province of Saskatchewan so far as provincial redistribution is concerned?

Mr. Coldwell: We made our position plain.

Mr. Wright: I think we made our position perfectly clear. As far as I am concerned I would have much preferred to see a commission set up in the province of Saskatchewan to deal with redistribution, but I do not think the result there was anywhere near as weird as the result in the province of Saskatchewan so far as federal redistribution is concerned.

Mr. Harrison: Nevertheless that applies to Saskatchewan.

Mr. Gardiner: Will the hon. member permit another question? Will he admit that the one seat that was completely wiped out in Saskatchewan was represented by a Liberal member?

Mr. Coldwell: Look at the number of seats in this house represented by opposition members.

Mr. Wright: The minister says that was the only seat that was completely wiped out. The constituency of Melfort is just as completely wiped out as the one formerly known as Swift Current. The only thing they did was retain the name "Melfort". They gave it the hybrid name of Humboldt-Melfort. So far as the actual constituency is concerned—

An hon. Member: It is still there.

Mr. Wright: —there is more of the old constituency of Swift Current in the present constituency of Maple Creek than there is any part of Melfort constituency in any constituency in the northern part of the province.

Mr. Gardiner: The only Saskatchewan constituency that has been wiped out in which any member of this house could have run is a Liberal seat.

Mr. Johnston: As I have sat here listening to the speeches I have found it somewhat amusing when I heard the government trying to convince everybody in the house that there had been no political gerrymandering. I think we of the Calgary area have about the greatest joke of all the cases that have been referred to. When I am through I think I will have convinced at least some of the members on the government side that this is true. I thought the purpose of redistribution was to make the changes that were required and that no changes would be made that were unnecessary, particularly when there was satisfaction on the part of the sitting members and the people concerned in these districts. If that had been done I do not think there would have been a great deal of trouble. When I say "trouble", I am not getting up to speak tonight because I want to beef about something that was done. I accept it. There is nothing else to do. We had to accept it in the subcommittee. We had to accept it when it came to the main committee and we have to accept it in this committee. There is nothing else we can do.

Mr. Harkness: We were guillotined.

Mr. Johnston: That remains to be seen. We can beat the tar out of them just as well this way as any other. We have done a beautiful job in Alberta up to the present time and we will continue to do so.

Mr. Abbott: We Tories together.

An hon. Member: It would not be any worse hitching up with them than with you.

Mr. Johnston: I think there is no other situation like ours in Canada. All three sitting members were perfectly satisfied. So far as any redistribution in the southern part of Alberta is concerned, all the members involved were perfectly willing to allow the seats to remain as they were. The only ones who were dissatisfied were outsiders who were pushed in from the northern part of the province and came down to southern Alberta to settle something for the Calgary Liberal Association. Don't make any mistake about that. These people from the northern part of the province who were the Liberal members of the committee did not even know the conditions in Calgary and the surrounding area or how the population was distributed, and they will admit that. If they do not know they are certainly trying to deceive themselves, because they did not know anything about it when the matter was before the subcommittee. When they were talking about changing Calgary they talked about a principle. It is nice to have principles, Mr. Chairman. I have no objection to that.

Mr. Coldwell: I hope not.

Mr. Johnston: No. I am a free enterpriser. I am not a socialist who tries to take away from the other fellow. I am not a Liberal

who pretends to be Liberal but is socialist; and I am not a Conservative, something that is almost of the past. I am a Social Crediter, the thing that is sweeping British Columbia now.

Mr. Prudham: Tell us what that is.

Mr. Johnston: You will find out soon enough. I was talking about the question of principle. I was not always a member of the subcommittee. The hon. member for Red Deer was on it for some little time at first when the subcommittee was dealing with the northern part of the province. Then the hon. member for Red Deer was compelled to leave and I was put in his place. For the last three or four weeks we have not had a solitary meeting of that subcommittee. When we were called in a few days ago—I think it was last Tuesday or Wednesday—to discuss the redistribution of the southern part of the province of Alberta, the map was all prepared. They said so far as Calgary was concerned they were very noble men and were going to act on a matter of principle. Nobody could object to that if it were followed out. I did not mind them having a little principle. The thing that shocked me was when they began to express it.

They explained the matter of principle in this way. They said that the city of Calgary is one of the most perfect opportunities anywhere in the province of Alberta to create two purely urban seats. Then they extended that and said that it was not only the outstanding city in Alberta where two urban constituencies could be set up, but in all of Canada. If I mistake not, they went so far as to say in all of North America, or perhaps I am exaggerating there.

The principle which the Liberal members of that subcommittee outlined to us was this: We are going to have Calgary as a purely urban centre, made up of two constituencies. So when the vote came to exclude the Bow River section of Calgary—they were still standing on this principle—they said we could not allow that to be in Bow River and we must put it out, because remember we are standing on principle. There could not be a great objection to that, when it is a case of principle. Then the chairman came in, not knowing anything about it, and of course you knew which way the vote was going so the Bow River section of Calgary was cut out of the urban centre, because it was a matter of principle. We were going to have two purely urban seats. Then, Mr. Chairman, these members suddenly forgot their principles; they began then to be men of no principle. No sooner had they accomplished that than they started adding suburban areas and even rural areas.

Mr. Darroch: They are just as good as any city areas.

Mr. Johnston: If you do not call that political gerrymandering, I do not know what to call it. I was interested in what the Minister of Agriculture said about the constituency of Lake Centre a moment ago, when he pointed out that in the last redistribution—he will correct me if I am wrong—

Mr. Gardiner: The second last.

Mr. Johnston: We shall not argue about it; the second last, he pointed out the ridiculousness of having Lake Centre surround Regina. Was that it?

Mr. Gardiner: I did not say it was ridiculous, I said it almost did surround Regina.

Some hon. Members: Oh, oh.

Mr. Johnston: You would say that was ridiculous, or why would you put it in your argument? I am agreeing with you. When they finished with Calgary, Bow River surrounded Calgary completely except for six miles on the south side.

Mr. Fraser: Giving you the runaround.

Mr. Johnston: Surely this was political gerrymandering. Then finally, when the thing looked so confoundedly absurd, Bow River ended up by only surrounding Calgary on three sides; that is the way it stands now.

Mr. Adamson: That is what they call the mother constituency.

Mr. Johnston: The boundaries of the Bow River riding extend from the British Columbia border to the Saskatchewan border, minus 84 miles; and the constituency is 56 miles across at the widest point. With the exception of 84 miles, my riding goes from one provincial boundary to the other. I shall have to have an airplane to cover it.

Mr. McIlraith: That is the modern means of transportation.

Mr. Johnston: Now, Mr. Chairman, there can be no logic in that. Probably when these men get up to talk about how they are men of principle, to start with at least, they will tell you: Well now, listen; we gave you fellows what you wanted after we cut Bow River out of Calgary. We were going to have a principle of having purely urban constituencies there, and then we did not do that either. We forgot about that later on and we ceased to have principle, but now how would you fellows like your eggs fried? You can run the boundary line for Calgary along the Bow river or you can run it along the railroad tracks. We do not care much where you run it—that is after they have completely eliminated the Bow River section.

Mr. Cardiff: You cannot fry rotten eggs.

Mr. Johnston: They did a swell job of messing up a natural area. As I indicated, the odd part of it was that there had been no objection from the three sitting members at all. They were not of the same political party; yet so far as I know there was no objection. If the thing had been left exactly as it was, it would have been all right. To my knowledge, there were no objections from the residents in any of those areas. You would have thought that had there been dissatisfaction among the people the members would have been the first to hear about it, but even to this day I have never received one word of complaint.

But I shall tell you what I did receive. We might as well be frank, and this is the first time I have mentioned it. The Liberal associations were holding meetings right down on the boundary line between Calgary East and Bow River, and have been doing so for the last six or seven months. I shall go further and tell you that I had one man come out of a Liberal meeting and tell me what was going to happen. It is no surprise to me at all. In fact one of the members of the subcommittee said to me, "We are going to make Calgary purely—" and then he did not quite finish the sentence. Then he said, "It is my opinion that it should be made purely urban."

Mr. Knowles: Make Calgary pure.

Mr. Johnston: Calgary was pure before it got mixed up in Liberal politics. I am not so sure about it now.

It does seem to me there has been a great injustice committed by the gerrymandering of these ridings in the southern part of Alberta. Even at this time I would suggest that this committee of the whole should decide to leave the three federal constituencies of Calgary East, Calgary West and Bow River exactly as they were.

Mr. Harkness: Hear, hear.

Mr. Johnston: So far as I know, there was no one who was dissatisfied with that. In the seventeen years I have represented that constituency I have never heard one complaint. The hon. member for Calgary East tells me he has never heard any complaints. So far as I know the hon. member for Calgary West has not heard any complaints, although it was pointed out by one of the Liberal members of the committee that he had. The member said, "Are you sure the member for Calgary West did not receive a telegram of complaint the other day?" I can quite understand that the Liberal association in Calgary would send a telegram of complaint, so there would be at least one complaint. As has been pointed out to me, particularly would that be true if they had a suggestion from Ottawa in the first place.

There were certainly no good reasons put forward by the Liberal members of the subcommittee for disturbing that area at all. They did not know the area, so why should they do anything about it? The actions of these members certainly show that they know nothing about it.

Mr. Murphy: That is not unusual.

Mr. Johnston: It certainly was not unusual in that case, but I did expect there would be a greater measure of fairness in the allotment of these constituencies in the southern part of Alberta. There was no reason whatever for changing the boundaries. This is the one place in Canada where there was no necessity for making any change. As I said, I am not complaining because my section of Calgary was cut out. I had the industrial section of Calgary which joined in well with the industrial area of Drumheller, and I had the agricultural area between. The Liberal members of the committee said, "There is lacking a community of interest". So what did they do? They added two Indian reserves, a ranching area, a farming area and the mining area of Drumheller, and the tourist area of Banff. Then they said: "Now you really have a community of interest."

An hon. Member: The Indian reserves are all right.

Mr. Johnston: I am not saying they are not. In fact I much prefer them to the Liberals. But we are talking about community of interest. They said, "Now you have the tourist business of Banff; you have the Indian reserves; you have the industrial area of Drumheller and you have the farmers. What more do you want?" That is community of interest! They have never put up even one argument that consisted of common sense. They just brought the map in and said, "This is what you are going to get." When the vote was tied, they brought in another chairman who did not know any more than they did; and when he voted the result was a foregone conclusion. As I say, Mr. Chairman, that was the way in which the subcommittee worked. That was the way the main committee worked; and I am not passing any remarks about the chairman of that main committee. I want to say that I think if he had had his way, there would have been at least some measure of justice. I am speaking of the main committee absolutely.

Mr. Laing: What are you afraid of?

Mr. Johnston: There is not much use of our doing any arguing here, Mr. Chairman, because the thing is going to go the way the Liberal machine wants it to go anyway. I assure you, however, that when the election comes, no matter what changes they make in the boundaries, we will come right back in here just the same.

Mr. Catherwood: Mr. Chairman, being one of those members who has fallen out of favour with the present government, I hope that I may have an opportunity of speaking for a few minutes this evening on this extremely important matter which was discussed on Saturday and is being discussed again today. I find it difficult to follow the reasoning adopted by the members of the government in bringing this report to parliament in this manner. In the first place, I feel that this point has not been seriously considered in any way, shape or form by any of the subcommittees. Of course we all recognize the fact that when it came to the general committee only on Saturday it was simply impossible for them to give this matter the consideration a question of this importance deserves.

This is a measure of extreme importance to the people of Canada. With the many constituencies across this country which are vitally concerned by the action of this government, and with this matter being brought to this parliament in the dying days of this session, when the heat of this July weather is driving us from this chamber and when members are anxious to get home, I feel that we simply cannot give this matter the thorough discussion we should give it at this time. It is most unfortunate that the government have decided to rush this legislation through, because there could have been ample time to discuss this matter. It was first mentioned in the speech from the throne back in February. I think the resolution was presented to parliament on March 10. We have had almost four months to study this matter. Then they bring the matter before parliament on the first day of July, a day later than we intended to adjourn.

I feel that the government will regret exceedingly the fact that we have not had time to study thoroughly this extremely important matter, and to give it the analysis and detailed examination that I think it should have. I leave it to every hon. member of this committee to decide whether this is the proper method to deal with matters such as this. In this last minute rush before adjourning, we should have before us the evidence of the subcommittees; we should have the printed report of the general committee. That is something I think is extremely important. We have none of this evidence before us, except what we hear from hon. members. From what we have heard here today, I think it is all the more reason why this matter should not be decided at the present time. If we are going to give intelligent study to and make a thorough analysis of these factors, I feel that this matter should be referred back to the committee for further study. I feel the government will deeply regret the hasty action they have taken at this time.

I will say this, and it is with deep conviction. I feel that the government still have time to reconsider this matter. If they do so, they will only be following the principle established by the late Sir Wilfrid Laurier back in 1892 in the redistribution committee set up at that time. I will briefly quote his words. Sir Wilfrid was in the opposition at that time. His words were: the very fact that this measure has been postponed and put off until the dying hours of the session deserves the most severe censure of this house. Those are extremely telling words, Mr. Chairman.

I refer also to the late William Lyon Mackenzie King, who many hon. members of this committee will agree was an outstanding statesman. I quote these gentlemen because I know these two references I have just given are the only ones we can speak of convincingly when we try to get the government to see our point of view on these matters. Mr. Mackenzie King also quoted the same statement in the redistribution committee in 1933; and I might say, Mr. Chairman, that subsequent events have proven the wisdom of his statement at that time. I am sure all hon. members will agree that what has been said by these outstanding leaders should be given serious consideration by hon. members of this committee.

There is another matter which has been dealt with in this committee and which I feel has been most unfair. I also feel that it does not bear the slightest resemblance to what we consider to be good government. I refer to the approach made by the government to the rearrangement of the seats in this House of Commons. When I supported this resolution to set up a committee, I did so because I, along with many other members of the house had, shall we say, sufficient faith and confidence in human nature to think that this committee would bring in a report which we could at least say was brought in without having behind it ulterior motives. I had sufficient faith, as I think all hon. members had, that that would happen. But when we see reports such as those which have been submitted by the subcommittees—particularly from the province of Saskatchewan,

for example—I feel that the faith we had in this committee has crumbled into dust at our feet.

How any committee could bring in a report such as that brought in by the subcommittee for the province of Saskatchewan is beyond anything that any of us, by the widest stretch of the imagination or in the most vivid dreams, could possibly contemplate. I refer, of course, to the mutilation and dissection of the seat of the hon. member for Lake Centre. I think I can say without fear of contradiction that the hon. member for Lake Centre is one of the great parliamentarians of this generation who, during the twelve years he has been here in the House of Commons, has given ample evidence of the great ability he possesses. I think we should get down on our knees and thank the Almighty that we have a member in the House of Commons of the type of the hon. member for Lake Centre. Is this the reasoning the people of Canada expected of us as elected representatives of the people? Is this the type of legislation that the 262 constituencies across Canada expect of their representatives in this parliament? In fairness, I ask all hon. members: Is that the type of legislation they expect us to put through? I think it is not. I will say this, that shattered as our thoughts have been by the report of the subcommittee, I do feel that the members of this parliament could not have expected recommendations such as those which have been presented by the subcommittees of the general committee, and particularly the subcommittee from Saskatchewan. God forbid that it should pass. All I can say is that this great institution of parliament, and we as members who comprise this institution, will regret and regret exceedingly what we do in this house if we adopt that report. We shall certainly not be proud of it.

May I again refer to a statement of the late leader of the Liberal party and the former prime minister, Mr. Mackenzie King, who said at page 5238 of *Hansard* of May 22, 1933:

> I submit that there is no higher trust imposed upon a House of Commons under our constitution than that of justly redistributing the constituencies.

When we think of that statement we wonder how the Manitoba subcommittee in particular could have brought in the recommendation they did, which report deliberately amalgamates two constituencies represented by two very able and outstanding members in this house, the hon. member for Souris and the hon. member for Brandon. This action may be considered by some as smart political manoeuvring, but it certainly is no fine achievement.

I wish, Mr. Chairman, we had the opportunity of producing the reports of the various subcommittees that have been presented, but unfortunately that is denied to us. I should like to say a word concerning the subcommittee for the province of Ontario. We had as our chairman a man whom I have always held and still hold in very high esteem in this house, the hon. member for Ottawa West. May I just digress for a moment. Before coming to this house I, along with many other hon. members, had many opportunities of presiding over meetings of different organizations. That was part of our duties in so many cases, before coming to parliament. Our obligation as chairman of any group was this. When matters of particular interest to any person came up for discussion we always consulted the people who were affected or whose business was under discussion.

Following that line of thought I had hoped that, as has happened from time immemorial, the hon. member for Ottawa West, who was chairman of our subcommittee, would have consulted the hon. member for Haldimand and my colleague the hon. member for Brant-Wentworth on the matter of the amalgamation of our two constituencies. He did not. I regret this exceedingly, because in answer to a question this morning the hon. member for Ottawa West informed us that he consulted different members of the government when it came to questions of changes in their constituencies. For that reason I felt it would have been only common courtesy had he consulted my colleague and myself, particularly when a matter of such consequence as the amalgamation of our two ridings was under discussion. I regret very much that he did not, sir. As I said before, I have great respect for the hon. member for Ottawa West, but I regret that he did not consult us, and more particularly since he admitted this morning that he consulted government members on matters of additions to or subtractions from their ridings. I do not know whether he considered it beneath his dignity or what the reason was, but he did not consult the two members affected in the redistribution of these two ridings.

I should like to ask the members of the government whether the lust for power is so great that they must crush every semblance of opposition in this House of Commons. To me it is regrettable. The actions that have been employed prove beyond any question of doubt that it is the intention of the government to eliminate wherever possible anyone who opposes them in this house. Unfortunately the Prime Minister is not in

his seat. I should like to ask him whether he approves of this kind of action. The Prime Minister is a man of integrity and high principles. I should like to ask him and all hon. members whether they do approve of this sort of thing in this House of Commons to which we are elected to do a job for the people of Canada in an honourable way. The matter of redistribution has been thrown out the window so far as representation by population is concerned. We found that out this afternoon. The hon. member for the Magdalen islands has informed us of the population of the riding which he represents. I am very glad that his riding is maintained. I think he represents that riding well. I do feel, however, if no general principle whatsoever is to be put into effect in the redistribution set-up, then the situation should certainly be corrected.

I do not intend to go into any lengthy discussion, but as a member representing a rural constituency in this parliament of the Dominion of Canada I do feel that this legislation points to a tendency to take away rural representation in this house. I regret that exceedingly. Agriculture is an important industry in Canada. It is one of the primary industries of our country. The whole trend of the report of the redistribution committee is to take away rural representation in this House of Commons.

In conclusion may I say that by some strange methods the Liberal members of this committee have managed to stack the cards against the time-honoured constituency of Haldimand. It is a very historic riding and has been represented in this house ably and well over a period of a hundred years. Hon. members who have read history will recall that William Lyon Mackenzie represented the constituency of Haldimand for four consecutive elections. If a *Hansard* record of that date had been kept it would show how good a member he was, but he did represent that riding a hundred years ago. Naturally I regret to see Haldimand county being amalgamated, but we must recognize progress and we have to accept these changes.

Certain members of the subcommittee—and I commend them for it—suggested an alternative method under which a portion of a neighbouring constituency could have been associated with Haldimand county. That could have been very effectively carried out, but the members of the committee decided otherwise. My colleague the hon. member for Brant-Wentworth and myself are interested. We do not know yet which one of us will be chosen to contest the constituency, but I know he will be very happy to represent the people of Haldimand as I would be happy to represent the residents of his constituency. The remarks I have made, sir, are addressed in all sincerity to the members of the government. I hope they will seriously consider the whole set-up, which is wrong. It is wrong in principle. I think the evidence we have heard here tonight will demonstrate more clearly than any further words I can use that this system should be changed, and that the government should further reconsider the matter. I feel that if the Minister of Citizenship and Immigration, the chairman of the committee, whose responsibility it has been to guide the policy of the committee, will do that he will improve his position in the estimation of the people of Canada to a very great extent.

Mr. Welbourn: Mr. Chairman, I should like to say a further word in regard to Alberta. It seems to me the subcommittee for that province must have done a fairly good job, because since the orders of the day were called this morning there have been very few references to the Alberta situation.

A little while ago the hon. member for Bow River referred to a principle brought up by my colleague the hon. member for Vegreville. The principle was this, that Calgary should be an urban constituency. That principle was voted on and carried. It was on the motion of opposition members that we added to the urban constituencies so as to take in certain suburbs. I cannot see how that is deviating very much from our original principle. Certainly there is not much difference between the suburbs of a city and the city itself.

In one of our committee meetings the hon. member for Calgary East referred to the community of interest between the Turner valley and the constituency of Calgary East which, as I explained earlier in the day, consists of a narrow corridor through Calgary. I asked him why the community of interest existed between the Turner valley and that particular part of Calgary, rather than all of Calgary, but he could not explain.

The hon. member for Bow River stated also that there were no complaints with respect to what we had proposed in the northern part of the province. Naturally there would be no complaints, because it was Liberal ridings we were carving up in that part of the province. We had to do it because of the shift in population. The hon. member for Bow River is a new member of the committee. We had another member of the Social Credit party on the committee

before, and at one of the meetings that hon. member made the statement that whoever drafted the set-up in Calgary, as it was, was either intoxicated or had ulterior motives. I agree with him.

I would challenge any member or any citizen from the province of Alberta or from any other part of Canada to compare the original map with the map we have now drawn and not say that the one we now have is a much better map.

Mr. Harkness: Mr. Chairman—

The Chairman: The hon. member for Gloucester was about to speak. Is the hon. member for Calgary East speaking to a point of order?

Mr. Harkness: I wished only to comment on the speech just made.

The Chairman: Very well.

Mr. Harkness: In the latter part of the speech just made by the hon. member for Jasper-Edson he has defied anyone to look at the map as it is now drawn, and the map as it was originally, and say the first one was a better map. The hon. member may be quite correct when he suggests that the second is the better one. But I do not think that what we are looking for is only better maps. What we are seeking is proper representation in the House of Commons. What a map looks like has absolutely no significance so far as fair and reasonable representation is concerned. That was one point I made when I spoke earlier today.

One of the chief arguments made by the Liberal members on the Alberta subcommittee was that they could make a better looking map. Who cares what the map looks like? The thing people care about is whether they will vote where they voted before, where their community of interest lies, and matters of that kind. What a map looks like is the least important factor in redrawing the boundaries of a constituency.

Mr. Macdonald (Edmonton East): Does not the map to which the hon. member refers, the new map we have under consideration, show the constituencies? Can the hon. member not refer to the constituencies as they are now constituted?

Mr. Harkness: I do not grasp the meaning of the hon. member's question. Certainly throughout our subcommittee meetings, so far as Alberta was concerned, there was great talk about making a better looking map. But surely that has no significance; it means nothing. The main consideration is whether, in the end, there is a reasonable arrangement of constituencies, particularly from the point of view of the people voting in those constituencies.

The hon. member for Jasper-Edson made reference to the community of interest which I had mentioned as having existed, and which now exists, between the Turner valley, in which was located the first major oil field in Canada or for that matter in the British empire, and the city of Calgary. I did not say at any time that the community of interest existed solely between that part of Calgary known as Calgary East and the Turner valley. I said there was a community of interest between the Turner valley and Calgary. As it happens, the head offices and the direction of the Turner valley oil field enterprises are almost entirely in the constituency of Calgary East. There can be no doubt that there is a certain community of interest, and in addition to that a large number of the workers in the Turner valley oil fields, as well as those who operate those oil fields, move back and forth between the Turner valley and Calgary.

The hon. member has also said the reason there was no dispute so far as the northern part of the province is concerned was that it is composed entirely of Liberal ridings. That is palpably untrue. As a matter of fact the four constituencies in the north which were merged to form three constituencies consist of one which is now held by a Liberal member—held in the last parliament by a Social Credit member, may I add—and three held in this parliament by Social Credit members, and also held in the last parliament by members of that party. So any suggestion that the changes made in the schedule were made entirely in Liberal ridings, and that therefore there would be no complaint about them, does not hold water.

The chief change was in the elimination of one constituency. Increased representation was allowed to Edmonton because of its increased population. Everyone agreed to that additional seat. Had we acted as some have we might not have agreed to it. We could have said, "Let them go ahead with their increased population, but without any increase in their representation." But the fact is that we did agree to increased representation.

In order to do that a constituency had to be wiped out; and that was a Social Credit constituency, one that has been held by them in the last three parliaments. There can be no argument about that fact. I said this morning and I repeat tonight that I have yet to hear any reasonable argument as to why the general arrangement so far as Calgary seats were concerned should not have been

left as it was. No good argument has been put up, either in the subcommittee or here in the House of Commons, as to why this change should have taken place. On the other hand a reasonable argument has been offered as to why a large number of people will remain convinced that the only reason it was done was some fanciful political reason held by the Liberal political machine in Alberta.

Mr. Robichaud: Mr. Chairman, the first thing I did this morning when I received my copy of Bill No. 393 was to look hastily at that part of it dealing with New Brunswick to make sure that Gloucester is still an electoral district. I will admit frankly that, after listening carefully to the debate on Saturday, I had a dream last night in which I witnessed the mutilation of my dear native county of Gloucester as a reprisal for the major surgery we performed there on May 26 last, when finally the people of Gloucester decided to carve out of the Liberal bloc this county of mine which had been on the other side of the house since 1900. Fortunately I find that Gloucester is still there, and it is going to be there for a long while.

An hon. Member: The sooner you sit down the better.

Mr. Robichaud: I am going to take my good time, don't worry. This is a bill to adjust the representation in the House of Commons, and my protest against it is coupled with the full realization that whatever arguments I may be able to marshal, they will in no way bolster the case which has been so ably prepared and presented by the able speakers who have preceded me—the leader of the opposition and his able lieutenants, as well as the hon. member for Winnipeg North Centre and others. In my opinion they have shot such strong bolts across this chamber as to have penetrated the armour of the government. It is inconceivable to me, novice though I may be in the intricacies of parliamentary manoeuvres and of political expediency, how, in view of the unassailable logic of the opponents to the principle of this bill, the government, confident of course, and secure and safely ensconced behind its imposing majority—

An hon. Member: For the moment.

Mr. Robichaud: *Pro tem*, of course,—should prefer to remain deaf to the clamour of sound reason and logic, and should choose in this instance at least—

Mr. Stuart (Charlotte): May I ask a question?

An hon. Member: Order.

[Mr. Harkness.]

Mr. Stuart (Charlotte): May I ask the hon. member a question?

An hon. Member: Later on.

The Chairman: Order.

Mr. Stuart (Charlotte): May I—

An hon. Member: Sit down.

The Chairman: I do not want to interfere with the good mood in which hon. members find themselves this evening, but I know all hon. members are interested in maintaining decorum in this chamber and I am sure they will agree that the debate should be carried on more seriously than it has been. The hon. member for Gloucester has the floor. The hon. member for Charlotte stood up and asked if he might ask a question. It was noticeable that the hon. member for Gloucester was not giving way and therefore was not giving his consent. If consent is not given the question cannot be asked at this time. It may be that when the hon. member for Gloucester has finished the hon. member for Charlotte may again ask if he will permit a question. However, if he does not give way at the moment by resuming his seat he should not be interrupted.

Mr. Stuart (Charlotte): On a question of privilege.

Some hon. Members: Order.

The Chairman: The hon. member for Charlotte is rising on a question of privilege.

Some hon. Members: Order.

Mr. Stuart (Charlotte): I just wanted to state that when I spoke the other night there were two members from New Brunswick—

Some hon. Members: Order.

Mr. Stuart (Charlotte): —including the hon. member from Gloucester who asked questions.

Some hon. Members: Order.

The Chairman: The hon. member for Gloucester.

Mr. Robichaud: After I have finished the few remarks I wish to address to this committee I shall willingly subject myself to any line of cross-examination by the hon. member for Charlotte. As I was about to say, I am surprised that in the face of this logic and argument the government should prefer to remain deaf to the clamour of sound reason and argument and logic and should choose in this particular instance at least to cover its favourite slogan "democracy" with the sticker "might is right."

The debate on this redistribution bill has been most instructive and interesting and

pregnant with unsuspected revelations to all newly-elected members of this house. Although I had read a rather surprising editorial in the Montreal *Gazette* of January 23 last on redistribution entitled "Not by Prayerful Exercises", I came to parliament with an open mind on the subject—

Some hon. Members: Oh, oh.

Mr. Robichaud: That is permitted.

An hon. Member: Not in the Liberal party.

Mr. Robichaud: I never for one moment suspected that what I considered to be broadsides in that newspaper article would ever prove true. May I be permitted to quote two paragraphs of that editorial for the edification of the Canadian people and for the enlightenment, if that is still possible, of the government. I quote:

> In Canada the redrawing of constituencies before an election is known by the word "redistribution." But there is not too much in a name. For, some years ago, an encyclopaedia of Canada was published in five volumes, under the distinguished editorship of the librarian of the University of Toronto. In this encyclopaedia, "redistribution" is defined with a scholarly exactitude:
>
> "Redistribution, a familiar feature of Canadian political life, is the legislative process whereby the boundaries of electoral constituencies are rearranged prior to an election, in such a way as to improve the chances of the party in power."

Is this not the most lamentable spectacle with which we are now confronted? I had a faint notion of the meaning of gerrymandering at the time I was introduced to the House of Commons, but I was not in the least suspicious that this age-worn political tactic would in 1952 prove so dynamic as to steamroller my concept of democracy in favour of political expediency. I came here somewhat imbued with the theory which was so curtly expressed by the London *Free Press* in an editorial on April 11, 1952, from which I quote:

> The days of political gerrymandering belong to the dark ages of politics.

But to my great stupefaction and surprise I became convinced, after listening to the debate last Saturday and today, that we were indeed being subjected in this redistribution scheme to what has been so aptly described as the law of the jungle; and, as the law of the jungle and the dark ages are two things which in my concept are contemporaneous, if not synonymous—

An hon. Member: Great words.

Mr. Hees: He will explain them to you later.

The Chairman: Order.

Mr. Robichaud: —I am tempted to admit that I have been sadly disillusioned—

An hon. Member: Soon in, soon out.

Mr. Robichaud: —by the redistribution jigsaw puzzle.

An hon. Member: Who wrote that?

Mr. Robichaud: I did. I submit that in a proper redistribution under our recognized modern and truly democratic parliamentary methods, the mere reallocation of some 265 seats on a strictly mathematical basis is not, in my estimation, sufficient.

An hon. Member: Who put you up to this?

Mr. Robichaud: Not you, my friend. There are certain other factors which must be considered and which were certainly not taken into account by the committee, top-heavy with good Liberals—

An hon. Member: Delete the word "good".

Mr. Hees: There is no such thing.

Mr. Murphy: You are too complimentary.

Mr. Robichaud: —and wielding the carving knife with such dexterity that the juiciest slices were sure to fall in the plates on the right-hand side of Canada's political table. The shuffling of seats after a census should not be an operation predicated on party voting strength. A readjustment of our representation is a purely technical matter, and should be so treated. In addition to the mathematical factor already referred to, there are others such as the geographical factor, and the ethnic consideration which was referred to for the first time in this debate, I think by the hon. member for Iles-de-la-Madeleine. These factors, and there may be others, add up, in my opinion, to the broader concept of a proper redistribution, and this is: the adaptability of a proper scheme of representation to present conditions.

From what I have been able to gather from the debate on this bill I am thoroughly convinced that a parliamentary committee is not and never can be the proper body to evolve such a scheme. I am advised—this may be considered hearsay and I do not know whether it is admissible in the house—that a remark such as "who's running this show anyway" has been made by a prominent supporter of the government after a patent example of proposed political carving had been attacked in committee. It is very apparent now to everyone who are the real showmasters in this redistribution circus. Nevertheless, in the final analysis who should be really running this show if not the people of Canada?

It may be argued—and as a matter of fact an abortive attempt was made last Saturday afternoon in that direction by the hon.

member for Russell, I believe—that the elected members of this house constituting the membership of the committee thereby made the latter a committee of the people. I cannot agree with such a proposal when it refers to a committee where the electoral rights of the people are in issue and where the members of the said committee cannot be considered as impartial inasmuch as their own and their party's interests are so predominantly at stake. The electoral rights of the people are dangerously imperilled by the dictatorial powers of a parliamentary committee on redistribution, whatever party may then be in power.

The soundness of this proposition cannot be successfully denied in view of the citations already recorded in *Hansard* from such men at the late Right Hon. Mackenzie King, the hon. member for Quebec South and others. As further concrete evidence of the ineptitude, incapacity and, may I say, impotency of the parliamentary committee to properly solve the 1952 redistribution scheme—

Mr. Adamson: There is no pregnancy there.

Mr. Fulford: What is he reading from, Mr. Chairman?

Mr. Robichaud: —which in my humble submission is nothing short of a miscarriage instead of a readjustment—

Mr. Abbott: Who prepared this?

Mr. Robichaud: —in our representation. Let me refer before concluding to the recommendations of the committee in so far as my native province of New Brunswick is concerned. There you will find a glaring example of the committee's complacency in a policy of laissez-faire as long as the interests of the party in power are properly safeguarded. At page 46 of the schedule you will find that the province of New Brunswick has been allotted ten electoral districts to be represented by ten members.

Mr. Gibson: Ten senators, too.

Mr. Robichaud: Here is a list of our electoral districts with their respective populations:

Constituency	Population
Charlotte	25,136
Gloucester	57,489
Kent	26,767
Northumberland	42,994
Restigouche-Madawaska	70,541
Royal	35,673

An hon. Member: Wow!

Mr. Robichaud: I did not know there were any catcalls in this house. The table continues:

Saint John-Albert	84,407
Victoria-Carleton	40,810
Westmorland	80,012
York-Sunbury	51,868

I wish to record in *Hansard* that the dual constituency of Restigouche-Madawaska consists of Restigouche with a population of 36,212 and Madawaska with a population of 34,329. I also wish to point out that in the dual constituency of Saint John-Albert the population of Albert county is 9,910 and that of Saint John county 23,718, whereas the population of the city of Saint John is 50,779. I also wish to register in *Hansard* that in the constituency of Westmorland the city of Moncton accounts for 27,334, whereas in the dual constituency of York-Sunbury the city of Fredericton accounts for 16,018. I know that the hon. member for Charlotte will permit me to say that geographically the small constituency of Charlotte with a population of 25,136 borders on the constituency of Saint John-Albert with a population of 84,407.

An hon. Member: All good people.

Mr. Robichaud: All good people; and likewise the second smallest constituency, that of Kent, is the next door neighbour of Westmorland on the south with a population of 80,012; and on the north of Northumberland with a population of 42,994. With a total population of 515,697 New Brunswick has ten members, which in my submission means that the unit of representation in our province should be 51,569. All those factors were apparently overlooked by the subcommittee for the maritime provinces, and by the main committee as well.

The point I wish to underline, however, is this. The main point I wish to make in my remarks tonight is that the subcommittee for the maritime provinces, and the main committee, have not only overlooked the mathematical factor but they have also chosen to forget the geographical aspect and that most important factor, the ethnical element. On behalf of my French Acadian compatriots I wish to state in a most emphatic manner that, as usual, we have been forgotten in the proposed scheme of redistribution. My submission is that we are, as of right, entitled to four French Acadian representatives in this house from the province of New Brunswick. According to the last census the French Acadian population represents over 40 per cent of the total population of New Brunswick. It cannot, therefore, be successfully

gainsaid that we are entitled to four of the ten seats in our province. Our population is so distributed that this can be achieved.

At the time redistribution took place in 1947 we were likewise entitled to four of the ten seats, as at that time our population was over 38 per cent of the total population. We were ignored then, of course, and we are again left in the lurch. May I further respectfully remind the government that the French Acadians of New Brunswick are totally dissatisfied and saturated with the treatment they have received from the present administration as a reward for their practically everlasting faithfulness to the party in power. As evidence of this may I also be permitted to remind the government that on May 26 last Gloucester county, the largest French Acadian county in the maritime provinces with 85 per cent of its total population French-speaking, broke its continued allegiance since 1900 to the Liberal party.

Some hon. Members: Shame!

Mr. Robichaud: I know it hurts, but it is not my fault. This was done in protest, amongst other things, against the treatment meted out to us by the present regime. I am sorry, Mr. Chairman, that the Prime Minister is not in his seat tonight, because I want to quote in French part of an article from *Le Devoir* concerning the situation in New Brunswick. The title of this article is:

(Translation):

They are too sure of them?

As may be seen, the New Brunswick Acadians have many representations to make. They should receive sympathetic consideration by the St. Laurent government and by the Liberal majority in the House of Commons, especially since those people have always been as faithful to the Liberal party as the French Canadians of the province of Quebec. It is possible that the government is thinking of granting them their full representation in the Senate, when the time comes of making that batch of appointments that certainly will be made before the next general election. However, they have every reason to believe that they will not get the fourth seat which they are entitled to, in the House of Commons, before the 1961 census and the following redistribution.

The results of the Gloucester election should offer food for thought to the federal Liberals. The people of that county must certainly be greatly dissatisfied to change a Liberal majority of 8,000 into a Conservative majority of more than 1,000 votes.

(Text):

Mr. Laing: Family allowances should be doubled.

Mr. Robichaud: I repeat, Mr. Chairman, that the ethnical factor is one that cannot be forgotten if Canada is to have proper readjustment of its representation in this House of Commons and if national unity—a drum so loudly and frequently beaten in election campaigns by the hon. gentlemen opposite who lead and compose the present government—is to survive.

Mr. Cannon: May I ask the hon. member a question? Let the hon. member answer this for the enlightenment of the house. He stated, to the vigorous applause of his partisans, that the people of Canada should run the show on redistribution. I am asking him, does he not think the people of the country would have a better chance of running the show through their elected representatives in this house rather than through some body that might be appointed outside of this house?

Mr. Robichaud: If I have to answer the hon. member for Iles-de-la-Madeleine, I would say that in my estimation a committee of this house is not the proper body to decide such a question. It should be an independent commission.

Mr. Dickey: There is logic for you.

Mr. Stuart (Charlotte): Like many others who have spoken in this debate, I can assure you that I did not have any intention at all of entering it until the hon. member for Gloucester spoke tonight. Usually you expect someone who has been hurt to start crying, but why the member for Gloucester has taken the stand he has with regard to redistribution is more than I can understand.

Mr. Macdonnell (Greenwood): He is a man of principle.

Mr. Stuart (Charlotte): I consider I am a man of principle, and I should like to have you understand that. I want to say now, so far as a matter of principle is concerned, that in the redistribution of 1932 one of the most able speeches ever made in this house for the salvation of New Brunswick was made by Mr. A. D. Ganong, a Conservative member for my county. Read it in *Hansard.* Mr. Ganong fought to have the province left as it was.

I should like to have the member for Gloucester explain to his people some time where he finds a single instance, all down through history, when a government sitting in Ottawa did not have a majority on a committee. I have listened to this until it is beginning to get under my skin. I believe that in 1932 the late R. B. Bennett most certainly had a majority on his committees, because they put the constituencies on the block and used the cleaver. This was known all over Canada. I want to speak briefly about the three old maritime provinces of New Brunswick, Nova Scotia and Prince Edward Island, where there is one change.

We gained in 1947 a seat and a Liberal won it. They look it away from the Liberals, and we are back where we were before. Why all this bellyaching about the maritime provinces? I fail to understand where the material comes from to support it.

Mr. McIlraith: There is no mystery about it.

Mr. Stuart (Charlotte): I admit there are only a little over 25,000 in my county, and I am proud to be their representative here. But I would rather have two inland counties in the central part of New Brunswick than the one I represent on the coast line. Again I want to say this. Look back over the record from 1932 and note the arguments that were used in the house by the Conservative members from the province of New Brunswick to leave the thing as it was. Again I want to repeat that the three old maritime provinces have not been disturbed in any way other than by losing one Liberal seat.

There has been a great deal of talk about Annapolis-Kings. What is there to complain about? We gained a seat in 1947. A Liberal won it. We have lost it now.

An hon. Member: He has left the house.

Mr. Stuart (Charlotte): Why the Conservative members of this house are trying to make such a fuss is more than I can understand.

Mr. Abbott: The hon. member for Gloucester has left the chamber.

Mr. Stuart (Charlotte): Correct.

An hon. Member: He has run out.

Mr. Fleming: Don't be absurd.

Mr. Abbott: These new members come in and make speeches and then run out.

Mr. Fleming: Utterly absurd.

The Chairman: Order.

Mr. Stuart (Charlotte): If the Tories are trying to strengthen the Tory party, they have to use all their membership. I am going to give the hon. member for Gloucester the benefit of the doubt and say that he was conscripted for this job.

Mr. Abbott: He has left the chamber.

Mr. Fleming: I rise on a question of privilege, Mr. Chairman.

Some hon. Members: Sit down.

Mr. Fleming: I rise on a question of privilege. I just heard the hon. member for Charlotte say that the hon. member for Gloucester was conscripted.

Mr. Abbott: The hon. member for Gloucester is back.

[Mr. Stuart (Charlotte).]

Mr. Fleming: Mr. Chairman, you know that it is entirely unparliamentary to cast aspersions like that on an hon. member, to indicate that he was compelled to do a job. I ask, Mr. Chairman, that you direct that the remark be withdrawn.

Mr. Gardiner: That brought the hon. member for Gloucester back.

Some hon. Members: Oh, oh.

The Chairman: Order.

Mr. Fleming: Mr. Chairman, if I can make myself heard above this din raised by hon. members to your right who insist on talking in breach of the rules of the house, I would ask you to require the hon. member for Charlotte to withdraw that unparliamentary remark which casts an aspersion upon another hon. member of the house.

Mr. Robichaud: Mr. Chairman, I happened to be out of my seat when my good friend, the hon. member for Charlotte, made this remark as to my having been conscripted to do this job.

An hon. Member: Who told you?

Mr. Robichaud: I submit that this remark is not parliamentary, and I want to thank my good friend, the hon. member for Eglinton, for bringing this matter to your attention, Mr. Chairman. I want to have the honour to request that you require the hon. member for Charlotte to withdraw this remark.

Mr. Stuart (Charlotte): The last thing I want to do is to make any remark that would offend anyone.

An hon. Member: Especially a new member.

Mr. Stuart (Charlotte): Yes; particularly a new member. But I want to say this—

Some hon. Members: Withdraw.

Mr. Drew: Mr. Chairman, I would ask—

Some hon. Members: Withdraw.

Mr. Abbott: Let us hear what the leader of the opposition has to say.

The Chairman: Order. I greatly appreciate the chance which hon. members are giving to the chairman to say a word on this occasion. The hon. member for Charlotte had the floor. He said he was of the opinion that the hon. member for Gloucester had made a speech which was surprising to him; he also said that he would give him the benefit of the doubt and say that he had been conscripted for this job. The hon. member for Eglinton raised a question of privilege, and as he was resuming his seat the hon. member for Gloucester, who was the offended member, rose on a question of privilege and made a statement. It was

only fair for the chair to allow the hon. member for Charlotte to give his own interpretation of what he was going to do on the question of privilege. At that point the leader of the opposition rose. Then I intervened because I wanted to hear what the hon. member for Charlotte was going to do. If he does not conduct himself properly, perhaps it will be at that moment my duty to intervene. But so far we have not given the hon. member for Charlotte a chance to give his own interpretation with regard to what he will do.

Mr. Stuart (Charlotte): Mr. Chairman, I repeat that the last thing I want to do is say anything that would injure anyone. If the leader of the opposition was going to interrupt me or to interfere I would not have withdrawn the remark. But since he has taken his seat, I should be pleased to withdraw any remark which I have made that is offensive. Before I take my seat I will say this. The words I used might not have been in order, but the hon. member for Gloucester came into the chamber tonight with a prepared speech which he read throughout.

Some hon. Members: No, no.

Mr. Stuart (Charlotte): I have a perfect right to form my own opinion.

An hon. Member: He read quotations.

Mr. Stuart (Charlotte): He did not read quotations only. He read the whole speech. That is what I say, and I am not going to withdraw it.

An hon. Member: He was not smuggling.

Mr. Stuart (Charlotte): I was honest enough to admit it. There is no one in your group I know of who is equally honest. I want to say that I did not rise to make an argument for New Brunswick or so far as the maritime provinces are concerned. I have listened here both Saturday and today to members who start at the British Columbia coast. If it is a matter that affects them in their own province I am always pleased to sit here and listen to them. But when each and every member who speaks on this subject feels obliged to start at Vancouver and end up in Newfoundland, I fail to understand what impression they want to leave. Each and every one has submissions to make about some member who has been hurt in some other part of Canada. Before I sit down I want to emphasize once more the fact that in my honest and humble opinion I believe it is the greatest example of trying to make martyrs out of a few Conservatives that has ever taken place in this chamber.

Mr. Larson: Mr. Chairman, I am not particularly happy about the debate that has been going on; we have not heard anything about Saskatchewan for about forty minutes.

An hon. Member: We are waiting for Jimmy Gardiner.

Mr. Hees: We are waiting for the boss.

Mr. Larson: We have heard about "georgemanders" "jimmymanders" and other kinds of "manders"; and I should like to talk for a while about a "tommymander" which affected me personally. In 1948 I ran in the provincial election and was defeated by some 150 votes; my colleague to the north won the election. A line was moved six miles, with the idea of giving my colleague everything, and so the deputy speaker of the chamber in Regina would be elected. I was greatly excited about this matter because I thought a great injustice had been done. I made a couple of speeches around the country about it, but I could not get anybody to show much enthusiasm as a result of those speeches. From that fact I assumed that all the excitement about these various things that go on is created mostly in the minds of the various members themselves. I do not think the people of Canada care much about them at all.

The only really contentious point I have seen raised in regard to Saskatchewan is that which has been raised by the friends of the hon. member for Lake Centre. I do not know whether he has been badly hurt or not. A lot of people say he has; but I have heard a good many friends of the hon. member say he could win practically any seat in Saskatchewan that he set out to win, and I am not so sure that he could not.

I would suggest to him that he consider this proposition for a minute, and let some of his friends do the same thing. The seat of Rosetown-Biggar is held at the present time by the leader of the C.C.F. party. As the boundaries have existed up to now I think probably that hon. member could continue to win that seat. But knowing the situation as I do to some extent around that part of the country, I feel that the boundaries as they have been moved in the new redistribution would give a chance to a colleague of the hon. member for Lake Centre also to come to the House of Commons, if there were a little swing the other way, which I hope does not take place.

Mr. Murphy: The by-elections show that already.

Mr. Bradley: Don't count on that.

Mr. Larson: The hon. member for Lake Centre should give some of his colleagues a chance; and he could, if he would accept

the western boundaries of the constituency as they are set up today. That is all I am going to say on that matter.

My own seat has been enlarged by some 90 polls. There has been a great deal of difficulty around here about seats being enlarged. Naturally if my seat is enlarged I have to do a great deal more work; I have to go out and see many people that I have never seen before. I have to drive many thousands of miles. My constituency now covers 15,000 square miles, approximately. Some contain hundreds of thousands of square miles, but the population is not scattered all over them. But in this seat, outside of a few square miles, which is a small part of the seat, I have to drive up and down every country road to see every part of it, and it involves a tremendous lot of work. My only reaction is that the population factor decreed that that had to be done. I accept the people who are there. My chief worry is whether the people who are there will accept me. I hope they do. I am very glad to welcome those people in the Kindersley constituency. I hope they will be able to fit into that constituency.

An hon. Member: They will.

Mr. Larson: I have only one further remark to make, and it is on the matter of a commission. I have not said anything about it up to now, but since I am on my feet I am going to say that we could send this matter to an independent commission—

The Chairman: Order.

Mr. Larson: —but I do feel that the present way of doing it is the best way.

Mr. Murphy: For the Liberal party.

Mr. Larson: Because the matter has to be threshed out in the House of Commons anyway.

Mr. Gardiner: We will do it better than the Tories did.

Mr. Larson: No matter who does it, it has to be threshed out here; and I do not think there are people any better qualified to do it than the members of the House of Commons themselves.

Mr. Cardiff: Mr. Chairman, I have been drawn into this debate, not because I wanted to be but because I have to—

Some hon. Members: Oh, oh.

Mr. Cardiff: I want the left shift over there to be quiet and I will be reasonable with them. If they are not they will just take what is coming to them.

Mr. Hees: That's the kind of talk.

Mr. Abbott: Fire-eater.

[Mr. Larson.]

Mr. Cardiff: Before I begin my remarks may I say that I am in a changed mood. If the committee does not want to accept me in that mood I will give them exactly what I would have given them had I spoken two or three hours earlier. I have been mellowed during this debate. One hon. member who has spoken in this debate has mellowed me more than anyone else. I would not want to be one of those who were parties to the endeavour to eradicate the hon. member for Haldimand. I would not want to be a member of the committee that has done that. He is one of the members of this house for whom I have the most profound respect, and it is because of that fact that he is in the position in which he finds himself today. The engineers who drafted this report should be proud of the effort they have made.

Mr. Ross (Souris): Good butchers.

Mr. Cardiff: It is without exception the best example of political skulduggery that I have ever known. It is the most glaring and cowardly example of injustice. If that is the best effort the Liberal party can make to pull themselves out of a bad position, then I feel sorry for them.

I want to speak about my own riding. I have sat back and listened to the reports of the others, and I have come to the conclusion that I am not as badly off as a lot more. For that reason I have mellowed in some respects in what I intended to say.

When you came into the county of Huron to do away with one member for that county all you had to do was to stay within the confines of the county. That was suggested by the members of our party in the committee, but you would not adhere to that suggestion. No word would have been said about it. You could have stayed within the boundaries of Huron and you could have given me about 23,000 more people and I would not have said a word. I like working with my own people, but you did not do that. You started to carve my riding in the first instance. You took two townships off the northeast corner and gave them to Wellington. Then you went to the northwest corner and took three more townships off and gave them to Bruce. I do not object to that particularly, except that it left me sitting in the centre with nothing on either side of me. I had to go twenty miles to get to the other side of where I was previously.

I have been the senior member of that county for the last twelve years. If you wanted to be fair and just—I remember on Saturday two members of the Liberal party

getting up in the house and telling us how fair and just this committee had been—you could have added to what I already had and nothing would have been said about it. Instead of that you took away from what I had, and then you gave me 30,000 people who were strangers to me. You are not content to stay inside the confines of the county of Huron; you went out to Perth to get the remainder. I do not object to taking Perth; I do not care if you give me all of Perth.

Mr. Boucher: I wish the hon. member would explain that.

Mr. Cardiff: Wait a minute; keep quiet until I get through. My riding is such that it has been a political fight for the last 25 years. It is not Conservative; it is not particularly Liberal, but it is just as much Liberal as it ever was Conservative. In the 1940 election I had 92 polls. There was not one poll in that whole riding with respect to which the Liberals did not come and tell me that if it had not been for them I would have been defeated, which was true. In 1945 it was not so hard. In 1949 even the Prime Minister went down into my riding. They really turned on the heat. Then, because of the fact that they did not beat me, they now turn around and try to gerrymander me out of my riding entirely.

Some hon. Members: Shame!

Mr. Cardiff: Ever since coming to the House of Commons I have had the greatest respect for the minister who served as chairman of the committee. At no time have I ever expressed anything but the highest regard for him. I refer, of course, to the hon. member for Grey-Bruce. I have, too, a great deal of respect for the other members who served on the committee. But I cannot understand why they picked on me. I do not know whether they do not like me, or what is the matter with me. I cannot understand why they wanted to pick on me, and put me out of my seat.

Mr. Harkness: Simply because you are a Conservative.

Mr. Cardiff: The county of Huron has served this country through any government. It did its bit during the war, and that county has always done everything possible to meet its obligations. The people there have never done otherwise. Why the committee should have tried even to beat us out of our name of Huron county is more than I can understand.

Mr. McIlraith: On a point of order, I wish to make it clear that there was no attempt to change the name of Huron at all.

Mr. Cardiff: There certainly was an attempt. You were going to make it Huron-Perth.

Mr. McIlraith: I am sorry; the hon. member will have to ask the members of his party who served on the committee about that point.

Mr. Cardiff: I have already asked them.

Mr. Murphy: I am sure the hon. member for Ottawa West would not wish to have on the record anything that is not accurate. I sat on the committee; and when you proposed to bring in three townships, the riding was to be Huron-Perth.

Mr. Fleming: I wish to say emphatically that that was my understanding of it; that the original proposal was to bring in three townships and one town from the county of Perth, and the riding was to be known as Huron-Perth.

Mr. McIlraith: That is the very point; at that point when it was suggested the name was wrong you were invited to bring in a suggestion as to the name, but you did not.

Mr. Blue: I do not like to see Huron or Bruce kicked around. I was born in Bruce. I lived for 35 years in Huron, and I am now living in Bruce. I honour the name of Huron-Bruce.

Mr. Cardiff: I am glad we are going to retain the name of Huron, because if that had not been done it would have been very detrimental to this government—more detrimental to the government than it would be to me; and I am telling you that right now. We are a proud people in the county of Huron. We respect good citizenship, and we try to practise it. I know the county of Huron will object very strenuously to the idea of this or any other government trying to take away the accredited name of Huron, the good name it has always carried.

Then I made reference to two townships on the northeast corner that were given to Wellington, and three on the other corner given to Bruce. Let me say this, with respect to Bruce, that regardless of what the population is in Bruce, that county is plenty large enough to keep a member in action 365 days in the year. The county of Bruce is a long county; it is a rough county in some parts. So far as I am concerned it does not make any difference whether there are 28,000 or 25,000 people in it; it is plenty large enough for any one man to serve.

If the committee had paid any attention to members of the official opposition who suggested that the boundary be held within

the county of Huron, there would not have been any fuss at all. But when you start to bring in parts of Perth, for no reason other than that of political advantage, then I think it is high time someone had something to say about it.

I am not yet satisfied with the last report brought in, when the subcommittee changed the three townships back into my riding, out of Bruce, and retained three in the northeast corner. Is that not what was done?

Mr. McIlraith: Two in the northeast corner.

Mr. Cardiff: And you took one town, did you not?

Mr. McIlraith: That is right; yes.

Mr. Cardiff: You had two townships before, but you did not have a town. Now you have a town and two townships.

Mr. McIlraith: No.

Mr. Cardiff: You took Wingham, did you not?

Mr. McIlraith: Wingham was always in there.

Mr. Cardiff: I did not know you had taken Wingham before; that makes it even worse. Those of you who do not know anything about the set-up will understand this, that Wingham is right in the centre of my riding, east and west. They are not going to be very gracious about being shot off into Wellington. I am not suggesting that Wellington is not just as good as Huron; that is not the point. But we are not going to be satisfied with it, and neither are the townships of Turnberry and Howick.

I suggest to the committee, before it is finally settled, that it leave Huron within its own boundaries. If anyone in there does not want to run in Huron, then let him move out and run somewhere else. I want to run in my own county; I want to serve my own people. I would welcome any part of any outside county that wants to come in there, but I do not want to get out. If they want to come into the county of Huron and be served by us, well and good. We have within the county of Huron almost 50,000 people; I forget the exact number, but I know it is more than 49,000. That is a much larger riding than many others around. I do not object to that; I do not care if you give me 100,000. I will look after it, even if I am given that number. But I cannot help objecting to the fact that you are taking away from me three municipalities, and then adding on one municipality for nothing other than political reasons. No one can deny that, and I do not care who tries to do it. So long as you hold my county within my own boundaries—and it is plenty large enough to do that—I have nothing to say. But if you insist upon going outside the boundaries, then I am going to protest as long as I am able.

I do not think any useful purpose would be served if I were to speak longer. I have stated my position. I have represented that riding for 12 years, and I am not ashamed of my record. If anyone wishes to take my place and carry on from there, well and good. But so long as I am charged with the responsibility of serving my own county, I am going to serve it to the best of my ability regardless of anyone else. I shall continue to do that, regardless of what you add to it.

Mr. McLean (Huron-Perth): Mr. Chairman, I had not intended to participate in this debate, but since there has been considerable discussion to do with the constituency of Huron North, and as it affects me in a sense, I believe I should speak for a few moments.

As I understand the schedule now before the committee, it is proposed that there shall be a riding to be known as Huron, which will contain some 44,000 people. That riding will consist of some 20,000 people presently in the riding of Huron North and 24,000 people presently in the riding of Huron-Perth. That means some 76 per cent of the people presently in the riding of Huron North will be in the new riding and some 80 per cent of the people now in Huron-Perth will also be in the new riding. I appreciate the difficulty the committee has had in arriving at an equitable division and in setting proper boundaries for the ridings across Canada. I do not think that task would be any easier even if it were done in another way on another occasion.

Be that as it may, I think the decision with respect to the riding of Huron was made with the intention of taking every possible advantage of the geographical set-up and at the same time avoiding as much as possible the dislocation of existing municipalities. Various references have been made to gerrymandering. Apparently that is the word the opposition uses with reference to the distribution job that has been done, but in this instance I fail to see that it is applicable. In 1945 this riding as it is proposed to be constituted would have provided a Conservative majority of 1,041. In 1949 the majority would have been 316. That would seem to be gerrymandering in reverse. Certainly I cannot think it is to the detriment of the hon. member for Huron North.

Reference has been made to the fact that it is proposed to attach the township of Hibbert. The township of Hibbert has been part of Huron-Perth since 1933. That

arrangement was made with the concurrence of the party which receives the support of hon. members opposite. If the job done in 1933 was satisfactory to the party of the hon. member for Huron North, nothing has occurred in the meantime which would indicate that a change should be made.

There is one problem that does cause me concern; that is the situation in rural parts of Ontario created through the mechanization of farming. This mechanization permits the farmers to do a particularly good job with fewer people. This means that in those particular areas the population tends to reduce. If we apply the principle of representation by population this will result in fewer members. I certainly would regret if that trend were permitted to continue to the point where the introduction of policies detrimental to rural Ontario became a political expedient. The fact is that these farmers are continuing to do just as good a job despite their fewer numbers. As a matter of fact the necessity of support governmentwise is greater than ever in view of the increased responsibility that is on the farmers to feed the increasing populations in the cities. Perhaps in this age of floors it would not be unwise to suggest that a floor be created to ensure that the voice of rural Ontario—I speak particularly of Ontario—may always be heard.

When the bill passes, as I anticipate it will, there will be a new riding of Huron in which will be contained some 20,000 residents now in Huron North. I know I speak on behalf of those presently in Huron-Perth when I say that I welcome those citizens of Huron North. Their problems, their outlooks and activities are similar, and I am satisfied that in this new and larger riding their interests can be represented by the member.

Mr. Diefenbaker: Mr. Chairman, throughout this day arguments have been advanced by members of all three opposition parties and the government has remained silent, except for the interruptions of those who slavishly follow it. One would have expected that when a matter affecting the entire domestic representation of this country was being debated the Prime Minister, unless there were other duties that denied his presence here, would have been present with a view to hearing at first hand what manipulation had taken place in the committee on redistribution.

Having seconded the motion on Saturday for a scientific commission to allocate representation in the House of Commons, I am reinforced in the arguments that were advanced by the leader of the opposition and those associated with him the other day by what has taken place today to indicate the monstrous manipulation of constituencies for the purpose of political expediency.

As the hon. member for Melfort has said, various principles were involved. There was the urban principle, there was the semi-urban principle, there was the shoreline principle, there was the ministerial representation principle which has been extended to the parliamentary assistants. No one could listen to the representations made here today without realizing that in the main those who represent the small constituencies are members of the government or associated with it.

Mr. McIlraith: No.

Mr. Stuart (Charlotte): Except the Prime Minister's riding.

Mr. Diefenbaker: As an example let me mention the constituency represented by the Secretary of State for External Affairs, which has only 32,000 or 33,000.

Mr. Abbott: Take the Minister of Finance.

Mr. McIlraith: Take Port Arthur.

Mr. Diefenbaker: The minister is able to speak because he is in the position of being in almost solitary magnificence in that regard.

Mr. Abbott: How about Port Arthur?

Mr. Diefenbaker: Let us proceed on the basis of the ruling—

Mr. Abbott: There is Port Arthur and there is Quebec East.

Mr. Diefenbaker: Apparently these hon. gentlemen do not believe in listening to anyone whether they agree with him or not.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Another I might mention is the Minister of Agriculture in Saskatchewan.

Mr. McIlraith: Finish northern Ontario.

Mr. Diefenbaker: In that province—

Mr. Gardiner: Mine has 4,000 more than yours.

Mr. Diefenbaker: In a province in which the representation level is lower than in other provinces because of the amendment to the British North America Act he will represent in the new house—

Mr. Gardiner: How about the old house?

Mr. Diefenbaker: —in the event he is returned, 43,500 people.

Some hon. Members: Oh, oh.

Mr. Graydon: Give him a show.

Mr. Diefenbaker: I am not asking for a show. I am asking for the same consideration

others got. I ask for no show. All I ask is that there be principle applied rather than the expediency of political considerations. When one looks at the actions of the main committee one can realize that under no circumstances were the views of the opposition listened to. Amendment after amendment was proposed and as regularly as they were proposed they were regularly turned down. Let me now give an example of the kind of subcommittee that operated for the province of Saskatchewan. I do not believe any committee can operate when it consists of members—and I have no particular committee in mind at the moment when I say this—who act as automatons under direction. What of the province of Saskatchewan and the subcommittee? Let me point out that before the Saskatchewan election we met on one or two occasions merely to say we were not going to meet.

Mr. Boucher: You agreed to that, did you not?

An hon. Member: Answer that.

The Chairman: Order.

Mr. Diefenbaker: We met in order that the hon. member for Rosthern might announce—

Mr. Boucher: You agreed, did you not?

The Chairman: Order. May I ask hon. members not to interrupt and not to conduct private conversations at the other end of the chamber.

Mr. Diefenbaker: The hon. member for Rosthern said that because a provincial election was going to take place in Saskatchewan many members would be away and there would be no meetings until after that election. Yet the map of Saskatchewan in part was available and was spoken of in Saskatchewan during the election.

Mr. Gardiner: By whom?

Mr. Diefenbaker: Was that mental telepathy or was it the Minister of Agriculture who had drawn the map? That is a question one wonders about today.

Mr. Gardiner: I did not mention the map in the Saskatchewan election.

Mr. Diefenbaker: I did not say that.

Mr. Gardiner: My hon. friend threatened to use it unless he was shown the map, and there was no map in existence.

Mr. Diefenbaker: That statement is once again in keeping with the minister's usual gross exaggeration. I asked—

Mr. Boucher: On a question of privilege—

Mr. Diefenbaker: —for the production of the map. There is no privilege.

Mr. Boucher: On a point of order—

The Chairman: The hon. member for Rosthern has risen on a question of privilege.

Mr. Boucher: The matter was raised—

Some hon. Members: Order. Sit down.

Mr. Diefenbaker: Mr. Chairman—

Mr. Boucher: On a question of privilege—

Mr. Diefenbaker: There is no privilege.

Mr. Boucher: On a question of privilege—

The Chairman: Order. The hon. member for Rosthern has risen and I could not hear whether it was on a point of order or on a question of privilege. Order. Would hon. members please be silent so I can hear the hon. member for Rosthern?

An hon. Member: He won't say anything anyway.

The Chairman: Order. Is the hon member rising on a question of privilege?

Mr. Boucher: On a question of privilege.

The Chairman: Order. The hon. member for Lake Centre says there is no question of privilege involved. Perhaps we might give the hon. member for Rosthern the opportunity to state his question of privilege.

Mr. Boucher: At a meeting of our subcommittee when every member was present the hon. member for Lake Centre said—

Mr. Diefenbaker: Is that a question of privilege?

Mr. Boucher: —if you will show me the map—

Some hon. Members: Order.

The Chairman: Order.

An hon. Member: Sit down. Learn some manners.

Mr. Abbott: I guess they do not want to hear it.

The Chairman: I have heard the hon. member for Rosthern state his question of privilege.

Mr. Diefenbaker: Let him make his speech.

The Chairman: Order: It seems to me it is a matter he wants to clarify.

Mr. Boucher: That is right.

The Chairman: That can be done only in two ways. One is by asking the hon. member for Lake Centre for the floor and not rising on a question of privilege. The second is to

wait until the hon. member for Lake Centre has terminated his speech. Then the hon. member may rise and clarify the point which has not been clarified.

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

Mr. Diefenbaker: Mr. Chairman—

Some hon. Members: Sit down.

Mr. Gardiner: He dare not answer the question.

Mr. Diefenbaker: Mr. Chairman—

Mr. Gardiner: He is afraid of the question.

The Chairman: The hon. member does not indicate that he consents to the question being asked by resuming his seat.

Mr. Gardiner: He dare not answer.

The Chairman: Order. Therefore the question cannot be asked. As hon. members know, my position at this moment is rather difficult. I am trying to apply the rules and give satisfaction to all hon. members. I am trying to be fair but it is very difficult for me to make myself heard and also to hear what is being said by hon. members. The mood of the committee is good and I want to keep it that way, but I should like hon. members to co-operate with the chair. The hon. member for Lake Centre.

Some hon. Members: Eleven o'clock.

Mr. Diefenbaker: Mr. Chairman—

Some hon. Members: Eleven o'clock.

Mr. Diefenbaker: Mr. Chairman—

An hon. Member: Let him go on.

Some hon. Members: Eleven o'clock.

Mr. Diefenbaker: I will have my say whether it is now or some other time. The zeal with which my hon. friends call eleven o'clock is indicative of the way the star chamber operated in the committee.

Mr. Abbott: Quite a punch line.

Section stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Mr. Speaker, I understand that the Prime Minister, after consultation with the leaders of the opposition parties, will suggest tomorrow that the house recess from one to two instead of from one to three and then recess from four until eight p.m. Tomorrow I will move the motion concerning the report of Mr. Speaker on the rules of procedure of the house. I think that was requested today by some hon. member. Then we will take up Bill No. 393, to readjust the representation in the House of Commons, and then we will proceed with estimates.

Mr. Hees: Quite a bit later.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Tuesday, July 1, 1952

The house met at eleven o'clock.

DOMINION DAY

85TH ANNIVERSARY OF CONFEDERATION

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, this being Canada's 85th birthday as a nation, I should like to suggest, supported by the leader of the opposition (Mr. Drew) and, I hope, by all hon. members, that we mark our proud and happy loyalty to our great country and to our gracious sovereign lady by rising and singing together "O Canada" and "God Save the Queen".

Whereupon the members of the house rose and sang

O Canada

and

God Save the Queen.

BUSINESS OF THE HOUSE

HOURS OF SITTING FOR TODAY

Right Hon. L. S. St. Laurent (Prime Minister): If I might have the consent of hon. members to do so, I should like to move, seconded by the leader of the opposition (Mr. Drew):

That when this house rises at one o'clock this day, it will resume its sitting at two o'clock, and that in the place of the usual intermission from six o'clock to eight o'clock, there shall be an intermission from four o'clock to eight o'clock this day.

Motion agreed to.

ST. LAWRENCE WATERWAY

APPLICATION OF GOVERNMENT TO INTERNATIONAL JOINT COMMISSION FOR DEVELOPMENT OF POWER IN INTERNATIONAL RAPIDS SECTION—EXCHANGE OF NOTES

Right Hon. L. S. St. Laurent (Prime Minister): I should like to table for the information of the house copies of the application of the government of Canada to the international joint commission for an order of approval of the construction of certain works for development of power in the international rapids section of the St. Lawrence river which I signed for the Secretary of State for External Affairs (Mr. Pearson) and forwarded to the commission yesterday. I should also like to table copies of an exchange of notes which took place at a meeting in Washington yesterday between the Minister of Transport (Mr. Chevrier), the Acting Secretary of State of the United States, Mr. Bruce, and the Canadian ambassador to the United States, Mr. Wrong. The United States government has also sent an application to the international joint commission which was signed by the Acting Secretary of State in the presence of the Minister of Transport yesterday. I am sure I am expressing the sentiments of the house when I say that we commend the Minister of Transport and the officials who have been dealing with this matter for the diligence they have shown in advancing this great project.

These applications request the international joint commission to approve the construction of works for the development of power in the international rapids section of the St. Lawrence river which are to be constructed by entities to be designated by the two federal governments. The works for which approval is requested are set out in section 8 of the application and are described in the agreement with the province of Ontario dated December 3, 1951, which forms the schedule to the International Rapids Power Development Act passed at the last session of parliament.

As the question of the deep waterway is not being referred to the international joint commission in the applications to which I have just referred, and as the governments of both Canada and the United States have for many years considered that navigation and power should be developed concurrently in the international rapids section, it was thought advisable to place on record, on an international basis, the nature and extent of Canada's undertaking to provide an uninterrupted waterway between lake Erie and the port of Montreal. That is the main purpose of the notes which were exchanged yesterday.

The house will recall that last September I discussed with President Truman the desirability of proceeding as quickly as possible with both the seaway and power phases of this project. We agreed that it was desirable to proceed with both phases of the project as a joint undertaking by our two countries, but I informed the President that if this were not possible, the Canadian government was prepared to proceed alone with the construction of the seaway when appropriate arrangements were made for construction of the power

phases of the project. The President promised to support this alternative proposal if it was not possible to obtain congressional approval for the joint undertaking at an early date. And that having proved to be impossible, we have proceeded on this conditional undertaking that the President had given me last September.

While we shall always welcome the co-operation of the United States in undertakings of this sort which benefit the economies of both countries, it is fitting that, on the 85th anniversary of confederation, we were able to take this major step toward the accomplishment of a goal which has, for certainly at least half a century, excited the imagination of so many Canadians. And after many years of negotiations and working out of arrangements for co-operating in the joint enterprise with our great neighbour to the south, we are now prepared to construct alone this deep waterway which will link the ports of the great lakes with all the other seaports of the world.

Mr. George A. Drew (Leader of the Opposition): In view of the fact that the Prime Minister has expressed his hope that this announcement would meet with the approval of all hon. members, may I say without any reservation that the members of the Conservative party in the house do support this great national project as part of a general development of our resources across Canada; and in that respect I would of course wish to make it clear that there are those who naturally believe this should be a pattern of development right across Canada.

Having said that, I wish to offer my very hearty support for the indication which is given that, along with the decision to seek immediate approval of the development of the immense power resources on the St. Lawrence river, it is the decision of the Canadian government to proceed alone with the waterway development along that part of our great inland transportation system.

It is a significant thing that this announcement should be made on Dominion day when we are commemorating the birthday of Canada as a nation. This is of significance to all Canada because it is the one area where the development calls for a substantial measure of international agreement to carry forward an undertaking that we all wish to see completed as soon as possible.

Perhaps because it might have been such a striking example of international co-operation, there have been many who have expressed the hope throughout the years that the United States might see fit to join with Canada in the construction not only of the power development, but also of the deep waterway. This gesture between two nations which carry on their daily activities in such harmony would have been significant not only for us but for other people throughout the world who are seeking proof that nations can live in that measure of harmony and good will which we accept as a commonplace on this continent. Nevertheless, since it has been the decision, in their judgment in the United States, not to proceed with the waterway part of this development, I hope that Canada will proceed without any delay.

I wish to refer to statements that I have seen in some newspapers in the United States which convey the impression that there is still some thought in the minds of those writing editorials even in the most responsible publications that Canada is not prepared to carry on with this undertaking alone. Speaking in this house as leader of the opposition, I think it is appropriate that I should join my voice with that of the Prime Minister in expressing complete confidence that Canada is capable of proceeding alone, and that there is no doubt whatever of our ability to finance the project and also our ability to carry out the construction in a manner which will be consistent with the standards of work that have distinguished the construction of the whole of this great inland waterway system.

There are many things about which we differ, and it is the duty of the opposition to express those differences. On this occasion I wish to leave no doubt that we join in expressing the hope that this application will receive early approval, and that this whole project will proceed as an appropriate expression of Canada's confidence, on this 85th birthday, in our very great future.

Mr. M. J. Coldwell (Rosetown-Biggar): Mr. Speaker, I think the Prime Minister (Mr. St. Laurent) and the Leader of the Opposition (Mr. Drew) have expressed the views of all hon. members. There is little to be added. I feel confident that Canada can carry this project through; and, personally, I am rather glad Canada will be undertaking the project alone. There would be some value in demonstrating co-operation between these two great countries, but on the other hand, when I look into the future, I think it is better that one of the two countries should undertake this, and be responsible for it.

I am very happy indeed that the government of Canada has decided to be the country to carry the project through. It is indeed fitting that this announcement is made on the anniversary of confederation. I want to join

in expressing appreciation of the diligence that has been shown by the Minister of Transport (Mr. Chevrier) and his staff, and indeed by the government, in pressing forward this great project which I believe will be, in the long run, of inestimable benefit to all of Canada.

Mr. J. H. Blackmore (Lethbridge): Mr. Speaker, Social Credit members have been in favour of this great project from the beginning. We, too, appreciate the fact that the announcement is being made on the 85th birthday of Canada. We are in sympathy with what has already been said by the Prime Minister and by the leaders of the other parties. The leader of the opposition said that Canada has the ability to carry out this project. I think we need only add, as I am sure the leader of the opposition intended to do, that Canada has the will to do it, too.

Mr. Gordon Graydon (Peel): May I ask the Prime Minister one question, by way of clarification in connection with this St. Lawrence seaway development. Assuming that Canada is proceeding with this waterway deepening alone, what constitutional difficulty could arise in virtue of the position of the United States, whereby any obstacle could be placed by the congress of the United States in the way of our proceeding alone? I ask this, having in mind what has happened before.

I can understand that, if the government has full power to approve of our going ahead on an international basis with this waterway, that would be all right; but having in mind what happened before in congress, does the Prime Minister know of any obstacle they could place in the way of Canada's developing the seaway alone?

Mr. St. Laurent: Our information is that under the laws of the United States this application can be approved by the international joint commission, and that its approval under the treaty would make it binding upon the two countries. Of course the treaty could be repudiated before action is taken upon it, but I think that is most unlikely.

Secondly, according to our information the government of the United States has the right to designate the entity that would proceed with the Canadian entity in the construction of the works necessary to develop the hydroelectric power. That entity, after having been designated by the government, would have to get a licence from the federal power commission, which is a semi-judicial body. There is no action required from the congress of the United States in order to carry the project through. Of course the congress of the United States could adopt laws preventing these agencies which now exist from exercising the jurisdiction they have under the present laws. But I think that is very unlikely, also.

There is also the possibility, to which some consideration has been given, of opposing interests endeavouring to have the courts pass upon the regularity of the proceedings, and the extent of the jurisdiction of the federal power commission. That is something that would be referred to the courts. But our information from our own law officers, and from the law officers of the United States government, is that what is being done is regular, and that it is within the jurisdiction as it now exists of the federal power commission.

Of course the Canadian government cannot proceed with the seaway phase of the undertaking unless there are two entities, one Canadian and one American, that are at the same time proceeding with the power phase of the undertaking. The President had told me quite frankly that he would not favour the designation of an American entity to proceed with the power phase unless there was an undertaking to proceed concurrently with the development of the seaway. In his opinion, it was highly desirable that both phases of the project be proceeded with at the same time.

He had told me that he hoped the congress would allow the provisions of the treaty of 1941, with the appropriate amendments, to be carried out, and the two phases handled as the joint undertaking of the two countries, but that he felt it was so desirable to have the matter proceeded with at once that, if the congress did not act within a reasonable time, he would exercise his executive power to designate an agency, and to put that agency in a position where it could apply to the federal power commission for a licence.

HOUSE OF COMMONS

RULES OF PROCEDURE—CONCURRENCE IN PART I OF REPORT OF SPECIAL COMMITTEE

Hon. Alphonse Fournier (Minister of Public Works): Mr. Speaker, yesterday the hon. member for Eglinton (Mr. Fleming) inquired of the Prime Minister if someone would move concurrence in the report of the special committee on house procedure which was tabled by Your Honour on June 27. This was the unanimous report of the special committee. I now move:

That part I of the report of the special committee on house procedure presented to the house on Friday, June 27, 1952, be now concurred in; and that the provisions of part I of the said report become effective at the next session of parliament.

Motion agreed to.

Redistribution

REDISTRIBUTION

READJUSTMENT OF REPRESENTATION IN THE HOUSE OF COMMONS

The house resumed, from Monday, June 30, consideration in committee of Bill No. 393, to readjust the representation in the House of Commons—Mr. Harris (Grey-Bruce)—Mr. Beaudoin in the chair.

On section 1—*Short title.*

Mr. Diefenbaker: Mr. Chairman, parliament is a great institution. Yesterday we were engaged in a most acrimonious debate which would indicate a wide separation in viewpoint; today on our national holiday parliament indicates by its action that regardless of those things that separate us in the ordinary affairs of life we stand united in the great things that make for a great Canada.

On this occasion I am going to deal for a short while as objectively as I can with the question of the redistribution of constituencies, with particular reference to what has taken place in Saskatchewan. May I say immediately that I want to thank the hon. members of all parties in the opposition who spoke yesterday so feelingly and so kindly of my constituency. In particular I want to say to the hon. member for Rosetown-Biggar how much I appreciate the references that he made to the nature and quality of the map drawn for the province of Saskatchewan.

Over the years I have taken the stand that committees of parliament are not very effective. Standing committees of parliament have an effective way of securing information on matters that are non-controversial and arriving at conclusions based on the greater knowledge that comes to members who participate in such committees. In the United States committees are set up under their system of government for almost every variety and type of matter that comes before congress and are generally successful in their results. I think that in large measure that is due to the fact that in the United States the members of the various political parties do not leave their independence behind when they enter congress. Over the years members of congress—it is a continuing process—consider propositions in committee regardless of any consideration that they might be negatived by the President or the party in majority in the other house. We in Canada have developed over the years the concept that after all a committee, when it is a political committee, is merely a means, either of refusal or to cover up things that are brought before it.

Generally speaking, what is taking place now has taken place in previous redistributions. In 1932 there was a long and acrimonious debate and the legislation did not pass until it had been discussed in the house for five days and then only when the prime minister had communicated with the then leader of the opposition, the Right Hon. Mr. King, and each of them appointed representatives of their respective parties to sit down and arrive at least at a basis of agreement which ended the stalemate that existed. I would have liked in this case to have the Prime Minister consider doing the same in regard to the various matters that have been brought to the attention of the house from almost every province in Canada wherein the allegation has been made, and in many cases established, that the result of the activities of the general committee was that some members were in fact subjected to gerrymandering.

I know that there are many definitions of "gerrymander", but Mr. King gave a definition which I believe reveals in its entirety the essence of the expression. Speaking in the House of Commons on May 22, 1933, as reported on page 5276 of *Hansard,* Mr. King said:

> The word gerrymander in political parlance simply means that in redistributing a constituency the boundary lines are so altered as to do an obvious injury to one political party and give an obvious unfair political advantage to another party.

That was the definition that he gave at that time. He pointed out on that occasion the difficulty, or the impossibility even, of a committee composed of representative members of the House of Commons, having regard to the emotions that are aroused and the considerations that appeal to each and every individual, being able to arrive at fairness in connection with the redistribution of seats that might take place. Today we find ourselves too often in the position where our committee system becomes merely a means whereby a rubber stamping of government policy is carried out by the ciphers appointed to that committee. In every case the decision is dominated by government majority. No one is suggesting that the government should not have the majority on a committee, but certainly no one can suggest that anything approaching judicial or judicious consideration is given to the determination of the conclusions arrived at by committees.

I am going to refer for a moment in general to what the evidence yesterday disclosed. Summarized, it indicated that there had been a gerrymander and that the decision arrived at in a number of cases, in particular those affecting opposition members, had been prejudiced as well as prejudged. Sufficient was

said yesterday and in recent weeks to indicate that a gerrymander has been effected by arriving at constituency boundaries in a manner that indicates that considerations other than symmetry were involved; in other cases by the dissimilarity in population and in still other cases by joinders that were made of opposition constituencies.

I am going to refer for a moment to what was said yesterday by the hon. member for Melfort, who dealt with the Saskatchewan situation. I am going to review what took place in determining the recommendations made by the subcommittee. The hon. member referred to the constituency of Melfort where a grotesque result was produced for political purposes. When the hon. member made a motion in the committee that an alteration should be made in the constituency of Melfort-Humboldt in order to remove a line of townships that had no place in any fair constituency map, after a discussion lasting a matter of two or three minutes, in came the hon. member for St. Boniface to act as chairman of the committee. The vote was three to three and he cast a vote in favour of a refusal to accept the suggestion made by the hon. member for Melfort. When I point out what took place in the Saskatchewan committee I do so because of the fact that it places before the house something of the activity or lack of activity that was apparent in the committee. The committee met for one or two minutes prior to the Saskatchewan general election. On that occasion I asked for the production of the map because there had been maps in the press that bore a peculiarly prophetic appearance in the light of the final map as it actually was. I asked whether or not there was a map and the members, including the chairman, said there was not. If there was not, then all I can say is that the prospective projection that appeared in the press bore such a similarity to the final result as to indicate at least some foreknowledge on the part of the press as to the composition of the map.

I said if it were not produced before the election I would certainly take it for granted that the prospective map published by the press indicating what was going to be done did in fact indicate what was to be done. By agreement there were no more meetings until after the election. Following the election certain meetings were held to which the hon. member for Kamloops has alluded. He has revealed what took place and has also indicated that the length of time taken did not exceed a few minutes and that there was no discussion regarding what should or should not be done. Proceeding a bit further, on June 23 there was a meeting. That was the one to which the hon. member for Kamloops made reference yesterday. He asked for the production of the map on the Friday preceding the 23rd of June and was advised that there was no map. On the 23rd of June we met and the map was produced. We looked it over. There was about twenty minutes' discussion and there was only one copy of the map there. We asked for copies of the map and were advised there were none available. A little later the hon. member for Rosthern said that copies would be made available, and at five o'clock that afternoon I received one. It was understood that the subcommittee would meet again later that day, but the hon. member for Rosthern agreed that it should not meet until the next day.

On June 24 we met for a total period of not over half an hour. The map was produced. The attitude taken was: There is your map; that is all there is to it. There was no question of compromise, no question of discussion and no question of the consideration of the wishes of any member of the committee except those who produced the map as an accomplished fact. On that occasion the hon. member for Melfort made a motion, and I have already told the committee the result of that motion. I also pointed out that there was something obviously wrong with the Prince Albert constituency with respect to the removal of an area in the southeastern corner thereof extending from Kilwinning to Blaine Lake, an area of approximately twenty-four miles square and one which has been in Prince Albert constituency throughout the years. No explanation was given.

Following that I made certain motions. I moved that certain changes be made, and in particular that the area in the western part of the constituency of Lake Centre, which has been in that constituency ever since Lake Centre was created, the area extending from Hawarden to Elbow and along the South Saskatchewan river from Kenaston to Aylesbury, including the towns of Craik and Davidson, should continue to be within the constituency. I also referred to the fact that the populations of Melville and Qu'Appelle constituencies did not nearly approximate that of Lake Centre. There was no discussion of the matter at all. The hon. member for St. Boniface was there. A vote was taken the result of which was three for and three against, and the deciding vote was cast by the hon. member for St. Boniface.

On the evening of June 24 the matter came before the general committee. In other words the matter had not been before the subcommittee for a total period of over one hour. There was no question of any discussion. There was nothing but the applied steamroller. The general committee met and

the chairman and other members of the general committee asked on that occasion that the subcommittee should sit again the next day for the purpose of discussing the question. In pursuance of what the general committee had decided, the subcommittee met on June 25 at ten o'clock in the morning in the room of the hon. member for Rosthern to reconsider the matter as requested by the general committee. As soon as we were convened the question was asked whether or not there was any change, and the hon. member for Rosthern said "no". An inquiry was made whether they had any suggestions to offer and the answer was "No, this is the map." We met for two minutes. That was the total discussion that took place at any time and the complete consideration given in determining the revamping and redrafting of constituencies in Saskatchewan. I ask you, Mr. Chairman: Is that the consideration that members of the opposition deserve? Certainly we did not expect to get some of the things that we wanted but at least we should not have had a map placed before us as certain in its effect as the law of the Medes and the Persians, and as certainly subject to no appeal or consideration.

I have mentioned the fact that for a considerable period of time it had been said that tremendous changes would be made in the constituency of Lake Centre. Mention was made yesterday of populations. I wish to place before the committee the populations of the various constituencies in Saskatchewan at the time of the 1941 and 1951 censuses. These details will give some idea as to the falling away in population and where the population is falling away. The figures are as follows:

Constituency	Population 1951 census	Population 1941 census
Assiniboia	39,917	44,335
Humboldt	43,050	48,066
Kindersley	34,325	41,068
Lake Centre	35,940	42,993
Mackenzie	42,200	45,797
Maple Creek	39,511	....

Mr. Gardiner: That should be 32,511.

Mr. Diefenbaker: Would the minister say again what it is.

Mr. Gardiner: 32,511.

Mr. Diefenbaker: The table continues:

Constituency	Population 1951 census	Population 1941 census
Maple Creek	32,511	43,414
Meadow Lake	35,298	41,458
Melfort	44,559	46,438
Melville	39,995	42,687
Moose Jaw	42,418	42,439

That is in a large part a city constituency and there was only a change of 21.

Moose Mountain	42,647	42,414
Prince Albert	46,936	46,969

Prince Albert has a decrease of only 30.

Qu'Appelle	42,235	42,706
Regina City	66,039	58,235

Regina City has had a very great increase.

Rosetown-Biggar	33,033	40,964
Rosthern	34,173	42,809

The figure is down 8,800 there.

Saskatoon	58,041	47,609
Swift Current	33,472	42,601
The Battlefords	40,676	44,382
Yorkton	44,263	49,578

Those figures placed on *Hansard* indicate that with the exception of two cities where there was a material increase in population, and a comparatively stable population in two others, the population of Saskatchewan went down very considerably.

Now I come to the question of what was done particularly with reference to the map of Saskatchewan. The minister stated yesterday that they started with Regina and Saskatoon—two cities with 66,000 and 56,000—subtracted that amount from the total population arriving at a base which I believe is around 43,000—it may be less than that. One would have thought that in drawing the plan regard would have been had to the question of achieving a reasonable equality of population.

Mr. Gardiner: May I suggest, and I think my hon. friend will agree, that he left out part of what I stated: First the two large cities and then the next six smaller constituencies were allowed 50,000 as an objective.

Mr. Diefenbaker: I do not recall the minister saying that. I have *Hansard* here and I will look at it. If the minister said that, then there is no question about it but I did not get that in my notes. I will look at *Hansard* to see just how fully the minister did say it.

Now, Mr. Chairman, I give you this picture and I simply point out that after all no one asks for consideration other than justice. No consideration but justice. One does not ask to be discriminated in favour of, but every member of this house has the right to ask that he be not discriminated against. And I ask you this, Mr. Chairman: Viewing the matter as reasonably as possible how can anyone justify taking the constituency boundaries in this way and removing from the west side of that constituency an area most heavily populated within the constituency? They remove there a large number of townships of which I will give the exact detail—and a township is six miles square. That area has always been in Lake Centre. It was in the constituency that was the predecessor of Lake Centre—west of the lake—

the old Long Lake constituency. They remove that area and it is merely a coincidence that the constituency represents an area wherein, as Mr. King said in 1932, a large majority is to be found for a Conservative candidate. Then, the city of Moose Jaw is added to this constituency—a city of 24,000 or 25,000 population, and a city that is growing. I have no objection to that because changes must take place and I want to be fair, but I cannot understand any justification for a city being placed in a rural constituency. Trying to be fair you can say: All right, after all changes take place; and I offer no other conjecture but that it is coincidence that two opposition members are thus covered by the joinder.

Then, Mr. Chairman, I point out this fact. Here is the Qu'Appelle constituency represented by the hon. member who was one of those who participated in the modern Mercator's projection and apparently he objected to the area around Regina. At no time was the area surrounding Regina ever in Lake Centre, as the minister said yesterday. The only area that was ever in Lake Centre was the area west of Regina, and the word "surround" to me does not imply surrounding on one side. In answer to the hon. member for Rosetown-Biggar the minister said yesterday that all this area around Regina was in Lake Centre. I should know. No map indicates it. The only person who says otherwise is the minister.

Mr. Gardiner: No, I did not say that. You should read *Hansard* again.

Mr. Diefenbaker: The minister said "surrounding Regina".

Mr. Gardiner: I said two-thirds on the north, down the west side, and two-thirds on the south—

Mr. Diefenbaker: You made no qualifications yesterday. It is the same old thing. Yesterday the statement was "surrounding" and there can be no "surrounding" of a city or of any other place by merely being adjacent to one boundary line.

There was one change made to the map in the committee. At the last meeting of the committee the hon. member for Rosthern I believe asked if there were any changes; and he himself answered his own question and said in effect that we are going to add three miles across the entire southern boundary of the constituency of Qu'Appelle, and that was passed. That raises the population from 40,650, as originally intended, to 43,300; but the area east of Regina has been in Qu'Appelle for years. No objection was raised in 1947. It is now being tacked on to the constituency of Moose Jaw-Lake Centre. If they really want to preserve names they also should have Moose Jaw-Lake Centre and Regina city junior; for after all, it takes from Regina city, and out of the confines of Regina city, several thousands of population. I ask you, Mr. Chairman, is that justice? Is that fairness? Somebody may say, as does the Canadian Press today, "Oh well, an alteration was made yesterday." The effect of the alteration yesterday was simply to add one column of townships on the east boundary line wherein the population is almost equally divided politically, except for this area around Regina which is within Regina city and which is still to be put into a constituency of Lake Centre-Moose Jaw city. Can there be any justification for adding approximately 5,000 city population from Regina—right out of the incorporated city—besides the several hundreds if not thousands who live in the suburbs of Regina, all of whom will now be placed in Lake Centre although not within the incorporated portion of the city of Regina?

Mr. Chairman, the object of representation by population is to assure equality. The changes that are made are made only because it is more difficult to represent a large area in a rural constituency than it is to represent a city; and there are other physical features that demand changes. But let any hon. member view this picture and ask himself whether that fairness and impartiality that is expected is exhibited by those who place in a rural constituency, which is still a matter of about sixty miles wide and eighty miles in length, one city and, not satisfied with that, place in it 5,000 population from another city, forty miles removed from the first.

Mr. Chairman, I repeat what I said a while ago. No one asks for favours; but on behalf of the people I represent in that western part of that constituency and also on behalf of the people in Regina and in Moose Jaw I ask that there should be no discrimination against them any more than there should be personal discrimination against any member of the house.

It is said that the name remains. The other day there was an interruption by the hon. member for Rosthern who said, "It still has the name." Let us see what about the area. There were 192 townships in Lake Centre and the population was approximately that of the adjoining constituencies. It was not large. I think the population was some 35,000. But there were five smaller populations than that in the province in these areas. People have moved away. That is why we have been asking

over and over again for the provision of irrigation; it is needed if the population is to be preserved.

Let me now give you the picture as to how these modern Mercators fixed the map. There were 192 townships in Lake Centre. Ninety were removed. Eighteen were added on the south side, some of which were removed in 1947. No one has objected to that procedure. They were always in Lake Centre. Eighteen townships were added to take the place of the 90 that are out. Then the city of Moose Jaw is added. Then 36,023 are added out of Regina city on the east side and removed from the constituency of Qu'Appelle. Can you tell me, Mr. Chairman, that there is anything bordering on non-discrimination when a member of the committee has removed from his constituency which is readily accessible, with a line of railway throughout the entire length of it, an area east of Regina that never has been in Lake Centre, with a population of 43,300. He has this area removed from his constituency. There may be a reason. It may be only a coincidence that that is a strong area of people who voted against the Liberal party.

Then in addition to the 36,023 in Regina city on the east side, 1,651 from the city are added on the west side of Regina. Further to that, all of the suburbs around Regina—and they are spreading out continuously as that city grows to one of the great cities in the west—go into Lake Centre. As the hon. member for Melfort said yesterday, an area where further growth is to be expected, around Regina and Moose Jaw, is placed in a constituency with 53,000 population. When one looks at these other constituencies and finds the difference, surely he must conclude that there is more than coincidence in it.

When it is said that the name is still there and a part of the area still remains, let me give some figures on the basis of acreage; for after all, that information indicates something of the vastness of these empires that constitute constituencies in Saskatchewan. From the constituency of Lake Centre—from the west side of it which is to be put into Rosetown-Biggar—1,267 acres are removed. Then from the east side, including the amendments yesterday, approximately 650,000 acres are removed. Then there are added on the east side 691,000 acres. As the position now is, about 44 per cent of the acreage of the constituency has been removed. That fact indicates something of the area that was removed from that constituency.

My friend the hon. member for Eglinton yesterday also mentioned the question of population—which I think is of interest—and how these people voted. He mentioned that area on the west side that has always been in Lake Centre, wherein the majority for a Conservative candidate is from 1,500 to 1,700. Then he mentioned the areas that had been added to Melville and to Humboldt and to Yorkton. These areas are almost neutral ground with a small majority in them for the C.C.F. But the main portion of the amputation proceedings was the assurance that these parts of the constituency should be moved where there was a majority for the Progressive Conservatives. What did they do in return? They brought in Moose Jaw. And again I am referring to the definition that the late Mr. Mackenzie King gave to gerrymander. In the provincial election Moose Jaw recorded 7,209 for the C.C.F. and 3,402 for the Liberals. Lumsden recorded—

An hon. Member: How many Tories?

Mr. Diefenbaker: There were no Conservative candidates there.

Mr. Gardiner: By arrangement.

Mr. Diefenbaker: That statement is entirely untrue.

Mr. Coldwell: And the minister knows it.

Mr. Gardiner: We will deal with it in due course; go ahead.

Mr. Hees: Make him withdraw.

Mr. Diefenbaker: That is a false statement, and the minister knows it.

Mr. Gardiner: I have a few facts of my own to give.

Mr. Diefenbaker: In Lumsden the vote was C C.F., 2,415—a large portion of these comes into this new constituency—Liberals, 1,589; Conservatives, 1,392. That is the area of the city of Regina that is to be tagged on. The majority there is overwhelmingly C.C.F.

Those are matters, Mr. Chairman, which I believe indicate an attitude of mind that is far removed from that judicial, calm and sober consideration that one expects in the committee set up for the purpose of determining the right of people to representation in the House of Commons.

Mention was made yesterday—I saw it in a Canadian Press dispatch—of the changes made in order to remove any cause of complaint. Those changes which were made yesterday are as ephemeral as they are ineffectual. They are simply designed for the purpose of indicating that the give and take was entirely absent not only from the subcommittee but from the general committee.

Mr. Nowlan: Lots of take.

Mr. Knowles: Lots of take, no give.

Mr. Diefenbaker: My hon. friends understand that. But there was no desire to compromise. We will not always be right in the motions we move in the general committee, but when we move them and find that they are voted down on every occasion with regularity, and with monotonous regularity, without even the acceptance of one little change, one wonders whether or not that consideration has been given which is deserved.

What about the change yesterday? It takes from Lake Centre approximately 3,800 people; and it is merely coincidence—I am not going into all the details—that all three parties have much the same vote there. But they did not remove the cause of the objection, namely, east of Regina and incorporating in Lake Centre that area by taking it from Qu'Appelle. That has no reason to be in Moose Jaw-Lake Centre, and there never was any justification for putting it in. There was no give and take yesterday in what was done. It was simply a form of last minute repentance, not for the purpose of true repentance, but for the purpose of leading the people of Canada to believe that there had been some serious endeavour to alter the boundaries of Lake Centre in order to remove some of the causes of objection.

What took place yesterday alters nothing. It is as meaningless as is possible in the widest sense of the use of that word. I will say no more on this subject. I have presented the case. I have asked for no special consideration and I will not do that. What I have done—and I only wish the Prime Minister were here to be able to say it to him—is to have placed before this committee the picture which was described by the hon. member for Rosetown-Biggar in a way that was as appealing as it was effective, and it was true. The hon. member for Eglinton dealt with it, along with other constituencies. Coincidence? What about the president of the Progressive Conservative Association of Canada?

An hon. Member: What about him?

Mr. Diefenbaker: How can anyone justify a population such as he will have in comparison with those adjoining him? What about the hon. member for Souris? He is being put into a constituency with the hon. member for Brandon. There are not many Conservatives from the west in the House of Commons. Apparently there are too many in the opinion of those who drew the map for Saskatchewan and Manitoba. As far as Alberta is concerned, the hon. member for Calgary East showed that that principle was applied with respect to him and those associated with him, but the principle ceased to be applied when that piece of work was done and when the drawing was to be made in another part of Alberta.

Surely, if there had been consistency in the desire to achieve a reasonable degree of equality, those inequalities would not have occurred. I have placed the matter before you without heat, without recrimination. Yesterday everyone was in warm good feeling. Today we are calm, thanks to you, Mr. Chairman, and also the fact that this is Dominion day. Today I have tried to present the argument free from those prejudices that all of us have, in the same spirit as that exhibited by the hon. member for Haldimand. I only wish I had the power and the effect on the house that he had last evening when he spoke so feelingly over the loss of a constituency historic in its importance. He reached in his speech last evening one of the high points that come in parliament—

Mr. McIlraith: The constituency is still there.

Mr. Diefenbaker: Oh, no. The territorial limits are still there, joined with the constituency of the hon. member for Brandon. Again it is merely a coincidence, two Conservatives brought together, thereby assuring at least the elimination of one.

Mr. McIlraith: That is just not right.

Mr. Boucher: Mr. Chairman, I wish to refer at this time to some of the statements, which are not correct, made by the hon. member for Lake Centre. My remarks at this time will be very brief because I intend to have more to say when the Saskatchewan schedule is called.

The hon. member for Lake Centre said last Saturday that we had held no meetings of our subcommittee for six weeks. Well, Mr. Chairman, we met about five weeks ago. The hon. member for Lake Centre was there, and it was decided that the committee would not meet for another three or four weeks.

Mr. Murphy: The Saskatchewan election.

Mr. Boucher: That was decided unanimously. But he comes here and complains now that there was no meeting of the committee.

He asked for a map. I told him we had no map. That was the truth. "Well," he said "surely you can give me a rough outline of what the map will be." I said, "Well, we have not got the figures yet. I cannot give any outline at the present time." Then he made the threat, "Well, if you do not give me the map I will assume that the reports

in the papers are correct, and I am going to use that in Saskatchewan."

Mr. Diefenbaker: Mr. Chairman, the last part of the statement is not correct.

Mr. Dewar: Yes it is.

Mr. Boucher: Yes.

Mr. Diefenbaker: No threat at all.

Mr. Boucher: There are other members of the committee here, and they know what was said.

Mr. Diefenbaker: Sure.

Mr. Boucher: He said, "I will use what was said in the papers." I said to him, "Which article will you use?"—because there were two different reports—"which report will you use?" And he said, "I will use the report of the Liberal paper, the Regina *Leader-Post*". "But", I said "there is another Liberal paper over there, the Saskatoon *Star-Phoenix*; it has a different report." And that is what took place.

He said the other day that there was no meeting, and he said yesterday that he had made no threats. Well, he has made threats. He said—

An hon. Member: "He said."

Mr. Boucher: Who is making this speech?

An hon. Member: Nobody.

Mr. Fraser: He himself does not know.

Mr. Boucher: He said he wanted a map. One hon. member said, "You draw a map". He suggested that to the hon. member for Lake Centre—that he draw a map. I have here the exact words of the hon. member: "It is not up to me to draw a map."

An hon. Member: He would rather squawk.

Mr. Boucher: He had ample opportunity to draw a map, but he said it was not up to him.

Mr. Graydon: Would you have taken his map?

Mr. Boucher: He refused to draw a map.

Mr. Fulton: Would you have taken it, if he had?

Mr. Graydon: No use wasting time drawing a map, if you would not take it.

Mr. Boucher: The hon. member said the other day that all the meetings lasted five minutes.

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

Mr. Boucher: Pardon me—

Mr. Diefenbaker: Never at any time did I say that. I said an hour and five minutes—

[Mr. Boucher.]

and that was the total time, an hour and five minutes.

Mr. Boucher: I meant to say that.

Mr. Murphy: Say it, then.

Mr. Boucher: One hour and five minutes.

The Chairman: Order. It might be well at this time, at an early hour in the day, to make clear the rule that has been so often violated since the beginning of this debate. The hon. member who has the floor says something which, in the opinion of others, is not correct. Someone will rise to a question of privilege, or a so-called question of privilege.

If an hon. member wishes to make a statement with respect to information given by another hon. member, he must ask the permission of the hon. member who has the floor, and not rise to a question of privilege —although that practice is now being followed regularly. Interruptions are made in this way with the result that the hon. member who has the floor is in the position where he cannot make his speech.

I would ask hon. members to take this into consideration. They should ask the hon. member who has the floor if he will permit a question or an interruption, and should not rise to questions of privilege. Once the hon. member making the speech has concluded his observations and resumed his seat, in the event of his not having given consent to the making of a correction by another hon. member, then the hon. member wishing to make the correction can rise and make it.

I would ask hon. members to observe this rule. Otherwise it will be almost impossible to carry on orderly discussion. The hon. member for Rosthern may proceed.

Mr. Boucher: The hon. member for Lake Centre has said that our meetings lasted only one hour and five minutes. Well, I do not know if he had a time clock; certainly I did not follow that closely. But I will tell him one thing, that if our meetings did not last longer it is entirely the responsibility of the hon. member for Lake Centre, because on every occasion, with the exception of the last two meetings—and I must say that he has been different at the last two meetings—on every occasion he said, Well, we will discuss that elsewhere.

Mr. Diefenbaker: Whom are you quoting?

Mr. Brooks: You.

Mr. Boucher: On every occasion he took the attitude, "Well, we will discuss that elsewhere"—on every occasion, that is, with the exception of the last two or three

meetings. So the meetings had to be short; he did not want to discuss the matter. He wanted to discuss it elsewhere. He did not want to discuss it there. He has had every opportunity, but he did not want to take it.

Mr. Diefenbaker: And that statement is not true, either.

Mr. Boucher: We tried to satisfy the hon. member for Lake Centre.

Some hon. Members: Oh, oh.

Mr. Boucher: But we could not satisfy him—and I will tell you why. I read the record of the redistribution in 1947; I have it right here on my desk. Although he signed and approved the report of the Saskatchewan subcommittee, when it came to the house he criticized it as vigorously as he could.

Mr. Diefenbaker: Just as Mr. Totzke did in 1932.

Mr. Boucher: That is what you did.

Mr. Diefenbaker: And that is what Mr. Totzke did.

Mr. Boucher: Is it not amazing to see an hon. member acting that way? Again this time we tried to satisfy him; but this time he did not go as far as he did before: he did not sign the report. I have to give him credit for that. But when he comes here he is dissatisfied and worried—and I think he has some reason to be worried. Do you know that if we were to put into the constituency of Lake Centre all the people of Saskatchewan who voted Conservative in the last provincial election the hon. member would not have enough votes to be elected.

Mr. Sinnott: That is the real trouble.

Mr. Boucher: Yes, if we took all the Tories who voted in the whole province of Saskatchewan—in the whole province—at the last provincial election, that would have been the result.

An hon. Member: How many seats did your party lose?

Mr. Boucher: We increased our vote by 30,000 or 40,000.

Mr. Diefenbaker: But what happened to the seats?

Mr. Sinclair: No wonder he would not draw a map!

Mr. Boucher: As I said at the beginning, I shall have something further to say when that part of the schedule dealing with Saskatchewan is called. I wish to give notice of an amendment that I shall move. In the light of what was said yesterday we have decided that we should draw a straight line—

Mr. Diefenbaker: Who are we?

Mr. Boucher: The committee.

Mr. Diefenbaker: The committee never had anything to do with it.

Mr. Fulton: Will the hon. member permit a question?

Mr. Boucher: Sit down. You fellows would not permit questions yesterday, so just keep quiet.

Mr. Fulton: The hon. member is afraid to answer the question.

Mr. Fraser: Who are we?

Mr. Fulton: The hon. member is afraid to answer the question because he does not want to reveal the identity of the people who have been carving up Saskatchewan.

Mr. Sinclair: You and your counsel.

The Chairman: Order. The hon. member for Rosthern may resume.

Mr. Fulton: Will he permit a question now?

Mr. Boucher: I give notice that I will move an amendment when Saskatchewan is called that the east half of townships 16, 17, 18, 19 and 20, all in range 20, and that part of the east half of township 21 in range 19 lying south of the Qu'Appelle river, all west of the second meridian, be deleted from Moose Jaw-Lake Centre and be included in the constituency of Qu'Appelle.

Mr. Gardiner: Mr. Chairman, it is not my intention to go too much into detail at the present time with regard to Saskatchewan. The hon. member for Rosthern has just stated that as chairman of the subcommittee he will be discussing the matter more in detail when we are considering the Saskatchewan schedule. However, I think it is necessary that I should make a few remarks with regard to what has been said by hon. members about the Saskatchewan position.

I was a little bit surprised when the hon. member for Lake Centre rose in his place and commenced his remarks by expressing some concern that members of the government had not spoken in the debate up to that time. I recall that on each occasion that I rose yesterday and even attempted to interject I heard the same chorus from across the chamber, "You are not a member of the committee." On each occasion that I got up to say anything I was told that I was not a member of the committee so why should I be discussing the matter. I was asked what I knew about it. I was presumed to have known nothing.

Mr. Fulton: You were simply trying to interrupt.

Mr. Gardiner: With the exception of the minister who is the chairman of the committee and who has spoken already, no member of the government was on the committee and therefore had no reason to discuss the matter. It was for that reason that the chairman of the subcommittee for Saskatchewan made the remarks he did a few moments ago. If I had attempted to make them I could properly have been told that I did not know anything about the matter because I was not on the committee. The details of the discussions that took place were known only to members of the committee. The chairman has recited what did take place in the committee and therefore I am not going to discuss that further.

There are some peculiarities about the Saskatchewan situation which are unique to that province. In the first place, we were not entitled under the constitution as it existed to 17 members; we were entitled to 15 only. After listening to the discussion, particularly by the two hon. members who were most concerned, I have been wondering whether we improved the situation by increasing the number to 17.

Before saying anything more about it I want to thank hon. members from all parts of Canada and from all sides of the house for listening to the representations that were made by the Prime Minister to the effect that some change should be made because one province was being asked to drop 25 per cent of its membership in the house under the constitution as it then was. At the time that suggestion was made, if it was not suggested in so many words it was certainly inferred that it would be impossible to make what would be looked upon in this country as a reasonable adjustment of the seats if an attempt was made to take 5 seats out of the 20 in the province of Saskatchewan. It was agreed unanimously that there should be 17 seats.

Whether we were right or whether we were wrong, we took it for granted that when that decision was made there were at least two members from Saskatchewan to whom some consideration had to be given. One was the leader of the C.C.F. party who has a seat in that province—the leaders of other parties have seats in other provinces—and the other was the hon. member for Lake Centre. Neither of them seems to have appreciated that we did anything for him at all. That was the central fact in connection with redistribution in Saskatchewan to which the members of the Saskatchewan subcommittee had to pay attention.

It would have been a simple matter to have redistributed the seats in Saskatchewan and have them all within one thousand of one another in population, if we were not required to pay any attention to that fact. The areas in which there is a shortage of population are apparent to everyone. If you take the west side of Saskatchewan and divide it into constituencies as it is now, you find that under the census of 1951 Kindersley had 34,325; Maple Creek had 32,500; Meadow Lake had 35,511; Swift Current with a city had 42,600. The Battlefords with a city had 44,382 and Rosetown-Biggar had 33,033.

If one were to remove the cities from that group he would have four rural seats in that area which would only have had an average population of less than 40,000. Therefore it was obvious that one constituency should come out. The easiest constituency to have taken out was Rosetown-Biggar. I think even the hon. member will agree that the simplest thing to have done was to have taken out the constituency of Rosetown-Biggar and run one constituency east and west instead of north and south. We would then have had a rate of population for the constituencies which would have thrown the hon. member for Rosetown-Biggar in along with the hon. member for Kindersley. They would have had to contest that constituency. I can imagine what would have been said if we had done that, but that was the simplest and easiest thing to do.

What did we do? We took a Liberal seat out of that area, just removed it. We did not remove any C.C.F. seats. We did not remove any Conservative seats. We removed a Liberal seat from that area, and when I say "we" I mean our committee from the province of Saskatchewan. Those who were on that committee representing the Liberals made that recommendation. There has been a lot of discussion about when there was a map and when there was not a map. These other matters were the important questions to be discussed in the first instance. The hon. member for Rosetown-Biggar says that if the matter had been referred to a commission there would have been quite a different map. I agree that there would have been, and his seat would not have been in it.

There would have been no constituency of Rosetown-Biggar running down south of the river. There could not have been enough population obtained to put a seat there at all unless it did run south of the river because of the very situation outlined a few moments ago by the hon. member for Lake Centre, namely, that is a part of the province that is going down in population and going down very rapidly. Because it is a part of the province that is going down very rapidly and because of the fact that two additional seats had been put into Saskatchewan largely because of the difficulty that would have been

involved in trying to make an adjustment of 25 per cent in population with relation to the population in other provinces in any one redistribution, we were given special consideration. I think we treated that special consideration in the manner in which it was intended to be treated by leaving the constituency of Rosetown-Biggar there with the result that the leader of that party does not have to contest the seat with any other member of the house.

That was the first consideration and the committee acted upon it. If anyone wants to know what the opinion of the Saskatchewan caucus was on that question, that was their opinion. The committee of three appointed by that caucus was definitely instructed that there had to be a seat of Rosetown-Biggar when the map was drawn no matter how it was drawn, and that it had to remain there because of the special consideration we had been given.

Coming now to Lake Centre, I quite agree that Lake Centre has been a matter of controversy ever since the hon. member for Lake Centre came into this house. I quite agree too that he is quite capable of expressing his point of view on any question on which he has a mind to express it. I am not going to question the statements made by those who are supporters of the point of view that he holds. He is most capable and can express himself here on the floor of the house or outside of the house in the manner he wishes to express himself. In saying that, I want to refer to a remark made by the hon. member for Melfort. He was on the committee six years ago.

Mr. Knowles: Five.

Mr. Gardiner: Five years ago, 1947. He was on the committee in 1947 and when speaking yesterday he referred to the fact that a map was drawn by Mr. Tucker in 1947 which was very favourably received by him, and he sort of threw out the suggestion that probably I drew the map this time and it was different. I should like to recall to the memory of hon. members the situation that existed in 1947. There were only two Liberal members in the house from Saskatchewan.

Mr. Knowles: You drew that one too.

Mr. Gardiner: I had as much to do with it as I had with this one for the obvious reason that there are fourteen Liberal members in the house now from Saskatchewan and there were only two then. Therefore I suppose I had half the responsibility then and I have one-fourteenth of the responsibility now for what may be done by members of the house from Saskatchewan. The point I wish to make is that there was only one Liberal member to act on the committee at that time. Ministers do not act on committees of that kind. Therefore the then hon. member for Rosthern acted on that committee.

Mr. Knowles: Is not the hon. member for Grey-Bruce a minister?

Mr. Gardiner: He is the chairman but he is not acting on the committee other than as chairman.

Mr. Murphy: Is that so?

Mr. Gardiner: The chairman never acts on the committee. There is no minister from the other provinces who is a member of the committee. I have not been a member of the committee so maybe I do not know all that is to be known about it.

Mr. Graydon: I guess you know pretty well.

Mr. Gardiner: At least I do not know of any ministers other than the chairman who are on the committee. Going back to that time, what happened? No one would draw a map then except the Liberals.

Mr. Graydon: They are experts.

Mr. Gardiner: They just said: We will not draw a map; you draw one and let us look at it. Therefore in so far as we were concerned, there being only two of us, we did draw the map.

Mr. Wright: On a question of privilege, we were never asked to draw the map then nor at this time.

Mr. Gardiner: It is too long ago to talk about what happened five years ago in that regard.

Mr. Wright: I am sure the chairman of the Saskatchewan subcommittee will admit he never asked me to draw a map this time.

Mr. Gardiner: You attempted to draw a piece of it anyway, and we will come to that in a minute.

Mr. Wright: I was never asked to take any part in it until we were presented with the final map.

Mr. Gardiner: Coming back to the position five years ago, the hon. member for Melfort was on the committee as he was this time. He can correct me if I am wrong and I know he will correct me. The hon. member for Lake Centre was also on the committee. The then hon. member for Rosthern was on the committee. There were three of them, and as I recall not a single complaint was made about the boundaries of any constituency other than the constituency of Lake Centre. The other two members of that committee agreed 100 per cent on the boundaries of all

the seats at a time when there were only two Liberals in the house from Saskatchewan and when all the other members from that province with the exception of one were C.C.F. The whole C.C.F. group represented by the hon. member for Melfort agreed with the map as it was drawn by myself and Mr. Tucker, and presented to them.

It is stated that the population on that map was as it should have been, and I am going to say that it was more nearly equal in all the constituencies of the province than it was in any other province in Canada. I am not contending that there is any reason for saying that the Liberals of Saskatchewan are any more fair when they do a thing of that kind than Liberals elsewhere. We have a different kind of province. Our province is almost as level as this floor from the United States boundary line up to the northern settlements. We have a few big gullies which my friend from Rosetown-Biggar referred to yesterday as being difficult places to cross over, but if you go back a little piece from them, lie down on your stomach and look straight across, you do not see the gully at all. It is level. That is the nature of our province. It is a level province in more ways than one.

Some hon. Members: Oh, oh.

The Chairman: Order.

Mr. Gardiner: A further fact is that the northeastern section of it was treed before the white man came, and as the white man has cleared the trees off that part it is just as level as the other section. That is different, and when someone across the floor yesterday was saying there were only so few people someone said, "Well, there are a lot of rocks there," and the suggestion was made that maybe they ought to count the rocks. Well, our province is different. You can go into our province and you can draw squares or oblongs all over the province and get pretty nearly the kind of result in one area that you get in any other, but that is more difficult in other provinces.

I agree with the member for Melfort that when the map was drawn five years ago those squares were made just about as they ought to be and the population in them was comparatively equal. Now we are asked: Why is it a little different this time? Again, I agree that if anyone has reason for complaint it is the people who live in the northeastern section of the province. Those constituencies are higher than average.

That brings me back to the question now being discussed a few minutes ago as to what I said yesterday. I do not need to read it but I have turned it up and it is there. I know what I said yesterday and on some other days as well in spite of what some members may think. Yesterday I did not refer to the fact that we had under consideration these two seats of Rosetown-Biggar and of Lake Centre as being fundamental in drawing any map; but I did refer to the remainder, namely that the first thing we had to agree on was that there should be two city seats—Regina and Saskatoon—irrespective of what the population happened to be. When you take those out that gets your population down to a certain level. Then I said the next thing we considered was that there were six other seats—with smaller cities in them. We suggested that when the committee was drawing a map they should allow those constituencies about 50,000 each. That is 300,000 in the six. We deducted that from the total population. That left us nine rural constituencies without any city population in them at all and we divided nine into the remainder of the population.

That gave us a unit and the unit is between 44,000 and 45,000 for the rural seats. The only criticism I have heard with regard to the constituencies is that people start out by saying: Look at the seat of the Minister of Agriculture. Well, the seat of the Minister of Agriculture has 43,300 in it, which is within 1,000 of the unit. That applies in any seat. I then wish to say this about that seat. I have not always represented it in this house. It has been there ever since the province of Saskatchewan was set up and it has had almost its present boundary lines during all that time. When you look at that constituency today and compare it with the rest of Canada you will see it is within 1,000 of the population to which it is entitled under any redistribution. Consider it in relation to all the other constituencies in Canada—and after all that is what we were getting down to when we made a redistribution.

Mr. Diefenbaker: What does the minister mean?

Mr. Gardiner: I mean that when you take the city seats out of Saskatchewan, and no one questions two of them should have members of their own, and when you take out the six smaller city seats with 50,000 each, I think everyone will agree that your representation is reasonably fair when the unit turns out to be 44,500 for these purely rural seats, or about there. There is not very much complaint then. Our rural seats are only 5,000 below our city seats and our smaller city seats are only 5,000 or 6,000 below our larger city seats, so there is not very much for anyone to complain about. If you once agree to that as the proper unit

for the rural seats in Saskatchewan as compared with all the remainder of Canada, we are comparable with the rural seats elsewhere. They can be made more nearly exact in our province because of what I said—by the very nature of the province. Ours is an agricultural province largely settled by the same kind of people in the same kind of areas. You can make them about the same size and you can make them about the same in population. That was our intention in 1947 and it was our intention again here.

That intention was affected somewhat by this other point I raised a few moments ago, namely that we have to make provision for these two constituencies and do not forget that we had to take out three seats. We took out one down in the southwest because there was not enough population up across the west side to keep our unit up close to 44,000 in the rural areas and at the same time keep our two city seats in that district up to about 50,000. So we wound up with 50,000 in the Swift Current seat, and we wound up with 48,000 in the Battleford seat and around 44,000 in the others except in the extreme north seat which has only 35,000. I think it will be agreed for the extreme north seat stretching almost over to the Manitoba boundary that there is justification for having 35,000 there, and the others are just about as they should be according to the adjustment that was made.

An hon. Member: How about Humboldt-Melfort?

Mr. Gardiner: I am coming to that now. When you take everything into consideration there is bound to be more population in the northeast than would be normal for the others. If we had been able to take out Rosetown-Biggar there would have been no question about what might have had to happen up in the other seats. We had to cut three seats out and the question which arose was: Are you going to lop off a seat of some member of the C.C.F. party? Are you taking out all Liberal seats? Or are you going to lop off the only seat the Conservatives have?

An hon. Member: One o'clock.

Mr. Gardiner: I will continue later.

The Deputy Chairman: May I remind committee members that the committee will resume its sittings at two o'clock in accordance with the motion which was agreed to this morning.

At one o'clock the committee took recess.

The committee resumed at two o'clock.

Mr. Gardiner: Mr. Chairman, when the committee adjourned for lunch, I was dealing with the eastern side of Saskatchewan and more particularly with my own constituency. I had pointed out to the committee that we in Saskatchewan were working under special conditions, one of them being that we were given two constituencies in addition to those that we were entitled to under the constitution as it had previously been drawn and which required of us some things which I had discussed.

Then I had pointed out that the western side of the province was the part that had been reduced in population—and considerably reduced—in the ten-year period with the result that one constituency had to be taken out of the west side. I had also pointed out that the constituency which was taken out by the committee was a seat which is now represented in the House of Commons by a Liberal. If we had simply had the intention of doing what has been suggested from the other side of the house has been the main objective of Liberals, I think we could have found a way of taking out a seat other than one of the Liberal seats.

Then I had undertaken to give a similar review of the eastern side of the province and had started with my own constituency, the reason being that most of those who have been discussing the question of redistribution as related to Saskatchewan have referred to the fact that the population in my constituency is 43,500. I had pointed out that that figure is within 1,000 of the normal, average population for a rural constituency in Saskatchewan.

Just before the committee adjourned I had made the remark that the constituency which I represent in the House of Commons has not changed much since the province of Saskatchewan was first formed. The boundary lines of the seat are almost exactly the same on the south. They are the same as far as they go on the east side. They are almost identical on the north side. They end, or did end prior to what we did yesterday, at the same place on the west end. Hence, over the period of years there has not been much change.

The only effective change was along the east side where prior to the time that I was in politics at all, either provincially or federally, the constituency ran northward along the Manitoba boundary up to Togo or up to the Assiniboine river, then followed the Assiniboine river for a way, then ran west and down on the east side of Yorkton.

In other words, it cut Yorkton out of the seat but took in that section between Yorkton and Manitoba. If we had simply been trying to strengthen the constituency at this time, I would say that we would have put that section back on again because it is a Liberal section and one in which I am satisfied that I could get at least two-thirds of the votes. But we did not do that. We left the boundaries much as they were and we left the population within 1,000 of the average for rural constituencies in the province of Saskatchewan.

Because of the method by which that procedure was worked out, and which I outlined just before lunch, it places that constituency in the position where it bears the proper relationship to populations right across Canada and it bears out the statement that that constituency is at least one constituency in Canada which, since 1914, has continued to bear the same relationship to the population of all the rest of Canada as it did in 1914. In other words, the development of that section of the province has been on a par with the development in other sections of the Dominion of Canada. I am sorry that is not true of the whole province of Saskatchewan but it is true of that particular area and that particular constituency.

Then the seat immediately north of it is Yorkton; and under the plan which has been submitted to the house, that constituency will have a population of 50,000. That is exactly the population which it was calculated at the beginning that it should have, because that is a constituency with a city, one of the smaller cities of Saskatchewan. Yorkton is a city and Yorkton constituency will have a population of approximately 50,000 under this arrangement. That really cut off the north from the south. There are two seats in that area running east and west from the Manitoba boundary to the boundary of Lake Centre. These two constituencies having within themselves all the requirements for units make a cut-off as between the Qu'Appelle river and the north. In view of the fact that I represent part of that area it was suggested to me that I draw a map. I do not know what suggestion was made to other members; there has been some dispute here this morning as to whether it was suggested that some members draw a map, but all I wish to say about it is that there was nothing to prevent anybody from drawing a map. Anyone who was on any one of these committees could have drawn maps to his heart's content and could have submitted them to the committees and had them considered. There never was anything to prevent anyone from doing that.

I drew a map with regard to my own area. As the basis of that map I took the redistribution that was submitted to the house by the Tories in 1933. I quite agree the map of 1933 did not go through the house. Nevertheless, the map was submitted. I obtained one of the maps and found what were the boundaries; not that were passed by the house but that were submitted to the house. The constituency as suggested at that time was a constituency of Yorkton-Melville running north and south; not a constituency running east and west, but one running north and south. If you take the boundary line of that constituency as it was suggested at that time and put both the town of Melville and the city of Yorkton into the same constituency you have a population of just about 50,000, taking in the proposed area. Therefore it could have been justified to have drawn it in that way.

Well, my suggestion to our own people was: why not draw it that way? And then we took a look at the next constituency alongside of it. If you put another constituency running north and south, with the present populations, starting at the Qu'Appelle valley and running it right over to Long lake, you would have had to go away up into the constituency of Humboldt in order to get enough population to make it a constituency. In other words, you would have wiped out half of the constituency of Lake Centre, and so naturally our people said at once: if you are going to carry out the undertaking which the caucus decided in the first place was a reasonable undertaking, that cannot be done. You cannot take and put another constituency in there and run it up north and take off the whole east half of the constituency of Lake Centre. That is the reason why the decision was reached that they would not do that, they would not take out two old constituencies and substitute two running north and south. What relation has that got to the fact that there are 42,000 or 43,000 people in Qu'Appelle south of the Qu'Appelle river, and that there are about 42,000 in Assiniboia, down in the southeast corner?

Mr. Knowles: Moose Mountain.

Mr. Gardiner: Yes; it used to be Assiniboia. The relationship is this. There is only one way that you could increase that population in Moose Mountain, and that was to extend the constituency westward. You have to extend it westward only six miles until you take the city of Weyburn into it. The city of Weyburn is the centre of population of the constituency of Assiniboia, which is represented in this house by a C.C.F. member. Well, we could have increased the population of Qu'Appelle and the population of Assiniboia

or of Moose Mountain up to something approaching 50,000 by that one movement. But by that one movement we would have to cut off a very considerable part of the constituency of Assiniboia. As a matter of fact, if we had proceeded on that basis, we would have to cut out the constituency of Assiniboia altogether.

We did not think that was a reasonable thing to do, and we therefore had to consider something else. The something else resulted in the fact that by leaving Weyburn in Assiniboia, by leaving a constituency in the southeast corner at around 42,000, which is about 2,000 below the average for that province, we could still continue Assiniboia in the province, provided we had one thing, provided that we did not go far enough to take Moose Jaw in. If we went far enough to take Moose Jaw in, then we had to start all over again on the whole adjustment of populations in order to meet the situation. But by taking Weyburn, and the area up to within six miles or ten miles of Moose Jaw, in the constituency of Assiniboia we had a population of somewhere between 48,000 and 50,000 people: in other words, the population which was required in order to meet the condition that we have 50,000 in constituencies where there are small cities was satisfied.

We had Weyburn within that constituency. That, too, removed another complication. If we had done it in any other way, and provided for a constituency in the south central part of the province of Saskatchewan, we would have to go far enough north to take in Moose Jaw. If we had done that we would have been accused immediately of wiping out a C.C.F. seat. It is all very well to be accused of putting the hon. member for Lake Centre and the hon. member for Moose Jaw in the same constituency, but to have put the hon. member for Assiniboia and the hon. member for Moose Jaw in the same constituency would have meant wiping out one of those members, and saying that he had no constituency in which one or other could run. Well, I can imagine what would have been said in the house if we had done that.

Mr. Knowles: Hear, hear.

Mr. Gardiner: My hon. friend says "hear, hear". There was only one thing to do so far as that matter was concerned, if you were not going to place them in that position, and that was to move around in some other way in order to get adjustments.

I have pointed out to you that we could move only as we did move around from the southeast corner until we got up to Moose Jaw; we could not move the boundary line of Yorkton to take in population, and therefore we left the line just about where it was.

This all brings me into the northern seats that the hon. member for Melfort has said have too much population. I agree with him that if there was nothing else to be considered, and nothing else that should have been considered, his criticism is a reasonable and legitimate one. There are 48,000 people in the constituency of Mackenzie. There are about 52,000 people in the constituency of Humboldt-Melfort as it is drafted.

Mr. Wright: There are 49,600 in Mackenzie, and 53,500 in Humboldt-Melfort.

Mr. Gardiner: There are over 50,000 in one, and over 48,000 in the other. When you get the figures adjusted I think you will find they are just about as stated. But anyway, it is within reasonable distance of the 50,000 in the one case. Then, when you go over to the constituency of Rosthern it is 48,000. There are still a few to be added to that. Then when you get into Prince Albert it is 56,000 and a few. I quite agree that these constituencies of Prince Albert, Rosthern, Humboldt-Melfort and Mackenzie are higher than they would be if you could adjust the whole thing to meet the situation exactly over the whole province; and they are perhaps high on an average by about 2,000 or 3,000 per constituency.

Well, we examined into every possible way of adjusting them differently from what they are without interfering with the other things I have spoken of. We had to take three members out. We had taken one Liberal in the south. We had to start somewhere in the centre in order to get rid of two more. And we tried to do it without, with our pencils, driving people out of this house. There was only one way of being able to do that without driving people out of this house, and that was to have at least two constituencies in which members would have the right to refer the matter to the people in the area rather than for a committee of this house to sit down and draw a line around a particular area and say: This person is out; he has no convention to go to. We did not do it in that way. We looked the whole area over and proposed to the house what has been proposed.

In so far as Humboldt-Melfort is concerned, I understand that, apart from saying the population is a little high, the hon. member had only one proposal to make, namely, that four townships up in the northeast corner of the constituency be moved out of his seat over into the other. It has been suggested

that it is in the constituency only because of one reason. It is in the constituency only because when the line was being drawn and came up to a certain point it came head on into a railroad, and all of the railroad south of there is in the constituency of Mackenzie. Then, if you drew the line straight on north, it would cut across that railroad again about ten miles farther north, and it would cut out two towns, New Osgoode and one other over into the constituency of Humboldt-Melfort, and leave the territory which is tributary to those towns over in the constituency of Mackenzie.

Well, all that was done on that map was to run a line across six miles of the southern boundary of the township, and run it 24 miles north to give the boundary of the other constituency. And that not only put the whole railway with all the towns on the railway into the one constituency, and all the territory tributary to the towns into the one constituency, but when you go up to the north end there is another railway which comes to an end in the corner of that constituency just over the boundary line. And instead of leaving the spur sticking out there, a spur that had no relation to any other area, that spur is also still in the constituency of Humboldt-Melfort.

Now, that is the only reason it is there, and I think it is a good reason. I repeat that the only amendment I know of that was moved by the hon. member, who is a member of the committee, was that those four townships be put over into the other seat. I do not know that there is any very good reason for doing it. I still think it would be a bad thing for people in that area, no matter how they are going to vote or whom they are going to vote for, to be put in a position where they are not properly related to the railways and towns in the area where they live.

I do not know whether that reason satisfies those who think the population up in the north is greater in those constituencies than it should be. But it is the only way that was found for adjusting the position in relation to what we must do down south. It provided a seat in which two members now in the house may run.

That brings me back to the constituency of Lake Centre. We have a number of constituencies right up through the central part of the province on the map as it is now drawn. They were Assiniboia, with 39,917 people in it before the new map was drawn; Moose Jaw, the third largest city in Saskatchewan, with only 42,000 people in it. I will read the round figures. Then we had Lake Centre with 36,000 in it. Then we had Rosthern with 34,000 in it. Then we had Regina with 66,000.

Now, that is Regina as it was under the census of 1941, and as it is on the map now as a constituency—66,000. Then we had the old constituency of Saskatoon with 58,000. But that constituency had considerable rural area in it. Then there is Prince Albert with 46,936.

One has only to read those figures in order to realize that, apart from Regina and Saskatoon, every constituency in that area is away below its unit of population—every constituency. There was not any way of taking Regina out. There was not any way of ignoring the fact that Saskatoon was there. And so what was done was to take the population in the constituency of Regina, as it was before, and the population in the constituency of Saskatoon, as it is anticipated in the present schedule, add them together and subtract that from the population of Saskatchewan, as I indicated, in order to take the first step in making the adjustment. Then the next step was to take the six city seats and adjust them up to around 50,000.

Now, Moose Jaw was one of those city seats—the largest city, apart from Regina and Saskatoon. Prince Albert is another. It is the fourth largest city—much larger than any of the other smaller cities. And so I think it would have been fair under any circumstances to have had Prince Albert a little above the 50,000. But I still admit that 56,000 is pretty high for Prince Albert. And I still admit that some of the other constituencies—for example, let us take The Battlefords with 48,000—are a little low. When you compare The Battlefords with Moose Jaw, the population of Moose Jaw being 53,000 and that of The Battlefords 48,000, that is the position it results in, an adjustment of city and rural seats. Averaging the two you are not far away from what we are driving at when we try to make an adjustment which will be satisfactory.

Now, coming back to the situation so far as Lake Centre is concerned: There were not very many people left, no matter how you looked at it, to provide for one rural constituency. The best you could find is 20,000 people; and if you were going to leave Rosetown-Biggar with the 44,500, which is the average, and if you were going to leave the two constituencies on the east side, one with 43,500 and the other with approximately 50,000, then there were only 20,000 rural people in the area that was left in Lake Centre. There was only one way of getting sufficient population to take care of a situation of that kind, and that was to take some of the city population along with the rural area.

There are 26,000 people in Moose Jaw. That 26,000 plus 20,000 would have been only 46,000, with the third largest city in the province in the constituency. The northern part of the city of Regina outside the city limits, as they were in 1941, had already been in Moose Jaw, over to the main road that comes in from the north. The other small corner of the city on the east side had been, since 1933, in the constituency of Qu'Appelle.

That seems to be the one question which has been uppermost in the minds of hon. members of the committee. They say: Why could that not have been left in Regina? There are several reasons, the first of which is the fact that it was not in Regina before. Then there is the further fact that population had to be found in order to have a constituency in that area with a reasonable population. If you were going to have city population in it, 30,000 city people plus 20,000 rural people is not a bad combination in a province such as Saskatchewan.

With all due respect to those who have been discussing the question, I would point this out, that there is not a single person in any of the groups on the other side of the house who has said that the committee, either acting as three from the Liberal side of the house or acting with three from the other side of the house, has tried to gerrymander those two seats so that Liberals could win. There is no one who has suggested that the Liberal party could win Rosetown-Biggar. There is no one who has even suggested that a Liberal could win Moose Jaw-Lake Centre—and I am not suggesting they could either.

An hon. Member: Who will, then?

Mr. Gardiner: I will try to get the Liberals to win, if possible; but I am not saying that they can win, any more than hon. members on the other side of the house have been saying it. As a matter of fact Saskatchewan is in some respects a peculiar province. We have always been voting Liberal up until quite recently. We still voted almost as strongly Liberal three or four weeks ago as we ever voted in our history. Still we did not elect as many people as we thought we might.

There is another peculiarity about Saskatchewan, and this will be confirmed by the records. We never did have a Liberal representing Rosetown-Biggar in this house, either as it is constituted at the present time or as it was constituted when it was called Saskatoon county. It was represented by John Evans for some years, and when it was taken away from Mr. Evans it was taken by a Conservative, Mr. Loucks. It is the strongest Conservative section in the province of Saskatchewan; there is no question about that. It has been represented by Conservatives in the local house; it has been represented by Conservatives in the federal house; it has never been represented by Liberals in the federal house.

Then coming to the constituency that has been known as Lake Centre. The Conservatives set it up in its present form, but before that Long lake was on the west side of Long Lake constituency and it was represented in this house by Dr. Cowan.

Mr. Diefenbaker: One parliament, that is all.

Mr. Gardiner: Yes, represented by Dr. Cowan for one parliament. Peculiarly that was one parliament during which the Conservatives were winning across the Dominion of Canada. It was not considered a bad thing to have eight members from the province of Saskatchewan when they were winning across Canada. They had one out of Long Lake; they had one out of what is now Rosetown-Biggar; they had one out of Saskatoon; they had one out of Moose Jaw and they had one out of Melfort. That is, from a district running angleways down from the north into that central group of constituencies, practically all these seats coming within that group, are seats right in the middle of Saskatchewan—I should have said they had one from Regina, one from Qu'Appelle, and one from Battleford, which is angling out in two other directions. In other words, if there is any Tory stronghold in Saskatchewan, that is it, centring right around Outlook and from there east and west.

There were a great many reasons for that. I am not going to recite them here because I do not want to give information to the Tory party. As I say, there were a lot of reasons as to why it was that way. All one has to do is to examine the records to find out that what I am stating is correct.

There is another thing to consider. The province of Saskatchewan has voted on a few occasions. In 1929 we had 170,000 Liberal votes in Saskatchewan, and there were 134,000 Conservative votes. That was the vote for the Conservative party under the leadership of Dr. Anderson as late as 1929. That is about the way the province of Saskatchewan had divided itself in politics from the time it was formed in 1905 down to that period. The only reason why we were defeated on that occasion was that the Independents and Progressives joined with the Conservatives and afterwards formed a coalition government.

Mr. Coldwell: Led by Mr. Carl Stewart.

Mr. Gardiner: Not led by Mr. Carl Stewart, but he was in it. Then we had another vote in 1934 on which occasion there were 206,000 Liberal votes and 117,614 votes for the government of Mr. Anderson who was the leader of the Conservative party. There was a farm-labour vote of 100,256, the Farm-Labour party afterward becoming the C.C.F. Then there was a small independent vote of 5,421. That was 1934.

The next leader of the Conservative party in Saskatchewan following Dr. Anderson was the present member for Lake Centre.

Mr. Mutch: That was the end of it.

Mr. Gardiner: There was a Conservative vote of 117,000 at that time. The hon. member for Rosthern said this morning that if all the Conservatives that voted in the last provincial election had voted in one constituency they would not elect a Conservative. In other words, there were about 8,000 of them. Of course one can take these figures from *Hansard* and put them together in different ways and reach different conclusions; but one conclusion will be that there were not very many Conservatives who had a chance to vote in the last election. If they had had a chance to vote the results would have been quite different in a number of constituencies and we would be in a better position today to be quoting majorities.

The hon. member for Lake Centre has been quoting the votes in different polls in the recent election in the province of Saskatchewan. I agree with him that they do not mean much in certain areas. It is still possible to elect Conservatives in the province of Saskatchewan despite what some people think, but there are certain ways of doing it and certain ways of seeing that it is not done. I do not know of anyone who is working to see that it is not done except the Conservatives themselves in the way they are not keeping their organization alive and not nominating candidates when elections come around. How in the world can anybody vote Conservative when he has not a candidate to vote for? If you have no candidate to vote for you just cannot vote at all. You can vote without a leader, but not without a candidate.

That has been the situation and I do not think it is going to help by quoting votes in different polls under the circumstances that have existed during the last two or three elections. I should like to direct attention to the fact that in our last vote we were not very far from the peak vote we had in Saskatchewan of 206,000. Therefore we are back pretty nearly to where we were in 1929 when there was an arrangement made under which the opposition did not run any two candidates against one another and in which they finished on top.

If I was looking for an opportunity to advise our friends of the Conservative party I would call their attention to their own representations. No one on the other side of the house has said one word about the constituency of Rosetown-Biggar, which is a Conservative constituency, being so organized as to favour a Liberal. No one has raised the question as to whether we were trying to take the Lake Centre constituency away from the member for Lake Centre. It is obvious to the member for Lake Centre, it is obvious to the C.C.F., it is obvious to everyone else that if we had been trying to do that we would have done something very different from what is indicated on this map.

Mr. Coldwell: When the minister says that Rosetown-Biggar is a Conservative constituency has he forgotten that in 1921 there was a Progressive, Mr. Evans; in 1925 there was a Progressive, Mr. Evans; in 1926 there was a Liberal-Progressive, Mr. Evans? It was only for a short period that there was Mr. Loucks.

Mr. Gardiner: I still say it is Conservative, and I have campaigned in every poll in it and have organized many of the polls.

Mr. Coldwell: Oh, I know.

Mr. Gardiner: I still say it is Conservative, and I am quite satisfied that if some of us were organizing for the Conservatives we could elect Conservatives there too. The vote in that constituency is naturally a Conservative vote, and there are reasons for that which do not need to be explained. All I am suggesting is we have not done anything to try to take a seat away from somebody. We have simply said that we have got to get rid of three members somehow because we have three fewer seats. We have got twenty members now and there can only be seventeen seats. We said we were not going to draw a line around any seat except that of one Liberal. We took away the Liberal seat but we said we were not going to draw a line around any other seat and take it away from either a C.C.F.'er or a Conservative. We said that we would recommend the lines to be drawn in such a way that the people in the constituencies could settle the matter. I do not know what my C.C.F. friends have in mind to do with some of their candidates. I only know that on occasions gone by they have read some of them out of the party. I hope they are not going to do that on this occasion because we did not read any of them out of their party or out of this house.

I am quite satisfied to accept the statements made across the floor of the house that

there are two good men in the constituencies of Moose Jaw and Lake Centre who now represent those seats in the house, and I would not be at all surprised if either one or the other could be elected in Moose Jaw-Lake Centre. I would not be at all surprised either if one of them went home and could be elected elsewhere. But when a member comes down into the middle of the strongest Tory section in Saskatchewan and wishes to take all the Tories into his constituency so he can be sure of being elected, I say to him if that is what the Conservative party wants they are decidedly on their way out.

Mr. Diefenbaker: Will the minister permit a question?

Mr. Gardiner: Yes.

Mr. Diefenbaker: He has been dealing with Lake Centre as a Conservative riding with the same freedom that he dealt with Rosetown-Biggar. Is it not a fact that the only Conservative apart from myself ever elected since 1921—go back to 1917 if you like—in either Long Lake or Last Mountain constituencies, or the constituency of Lake Centre since it was established, was Dr. Cowan. All the rest were either Liberals or Progressives.

Mr. Gardiner: I would say that Dr. Cowan was elected to the house, and I have got something more to say about that. A further examination of the records will indicate, however, that one of the reasons for that in most instances was that the Conservatives did not run a candidate. You have got to examine a little further in order to find out who was elected and who was not. A Liberal was not elected in a great number of instances because of an arrangement entered into. But now that I am questioned about it I do want to say that the first time I ever met my hon. friend was at a meeting right in the area he has been talking about today. I spoke at Elbow in 1928 and my hon. friend turned up and asked for the right to speak at the same meeting. I had never seen him before although I had heard of him because he used to be a Liberal. I had heard of him as the secretary of the Liberal party in a certain place. But on this occasion in 1928 he turned up, and I am not going into details as to what the 1928 election meant in the constituency of Arm River. I am going to suggest, however, that was my first experience in meeting him. I campaigned every poll in that constituency on that occasion. I canvassed most of the people and we succeeded in winning the election by fifty-eight votes. If anybody wants to tell me that is not a Conservative seat let me say that I know Saskatchewan well enough to know that it is.

I know Saskatchewan well enough to be able to say that I think very fair treatment has been accorded to the Conservatives in the province in so far as the drafting of the new constituencies is concerned. We have not attempted to make any change in the two seats which we were under obligation, as I said at the beginning, to draw up in such a way as to give consideration to two members. We were given two extra seats and we were expected to deal with them fairly. We think we did. So far as the other seats are concerned, not a single member has asked for any change in his own seat except the hon. member for Melfort and he only asked that four townships be moved into another constituency. I doubt if there is any other province in Canada where as good a job has been done, and I rather resent people getting up and saying that the committee made a miserable job of it or that they did something which was detrimental to some person, group or party. We do not think they did any such thing, and I am quite satisfied that if anyone will sit down and examine the map of Saskatchewan, and take into consideration the facts as I have outlined them, they will agree that the presentation of the province of Saskatchewan to this committee is just as good as has been made by any other province, and in addition it is just as good as could have been made by any kind of commission that you might appoint.

I want to add one other thing. I have been in politics for thirty-eight years as of the 25th of last month, the day I thought I was going to be able to go home from this session. I have run in most of the elections that have come along since then and when I did not run in them myself I helped somebody else to do so. I have not missed any of them, and that means that there have only been three years since 1911 that I have not gone through an election campaign. Therefore I am not asking anybody to pass on information to me as to what happens in elections. I know pretty well what happens in elections. I also want to say that I have never once complained about how my constituency was drawn up, no matter who drew it up. I represented a seat in the Saskatchewan house for twenty-two and a half years or twenty-five sessions, and the only time my constituency was ever changed was during the period when the hon. member for Lake Centre was high in the councils of the Conservative party in the province of Saskatchewan.

Do you know what they did to me then? They took one of my best friends, who was

one of my best helpers in the province of Saskatchewan and put him in my seat. That is the first thing they did. In doing that they added to my constituency what they thought was 400 of a majority against me. They thought they would trim me by doing that. In the next election I succeeded in getting a majority of 1,500 in the part they had added on and had a majority of 3,000 whereas before my majority was something over 1,000. I say that in order to give a little advice to young members of the house. I do not think you get anywhere kicking about the seat you have got.

Mr. Mutch: "Crying" is the word.

Mr. Gardiner: Somebody says that "crying" is the word. I might also say that we had —I was going to say "gerrymander" but I do not like that word; I do not even like "jimmymander"—a redistribution of seats in 1933 but it was not by the Liberals. I accept everything that the opposition has said to the effect that it would make no difference what party you had here or what government you had here they would do it just the same as this is being done. You know what happened after it was done by the Conservatives in 1933. We won almost as large a proportion of seats as we have now—almost as large a proportion of them; and the constituency which I represent now Mr. Motherwell represented. He won by a majority of 4,500—just a little less than I won it by the last time. After they had changed it and added on to it what they thought would give him some trouble he won the constituency. I have seen in the press recently a statement that is absolutely wrong, to the effect that they gerrymandered Mr. Motherwell out of this house. They did not do any such thing. Mr. Motherwell won the next election by 4,500. He was not gerrymandered out of anything, no matter what they tried to do.

We won most of the constituencies—16 out of 21 in Saskatchewan—on the Conservative redistribution. I am quite sure that if they were to make the redistribution now we would win more constituencies than we will after having made it ourselves—the reason being that you do not satisfy very many people when you are making a redistribution and those that you do satisfy never mention it any more. The only people who mention redistribution are those who do not like it, and they keep talking about it.

As far as I am concerned I would rather see the other fellows make the redistribution than make it ourselves; and for that reason this is the first time I ever made a speech in this house on redistribution. I would not be making one now if it were not for the fact that so many misrepresentations have been made with regard to Saskatchewan.

I take the boundaries of the seat I run in as they are handed to me and I go out and try to win the votes of the people living in the constituency. I am not very much worried whether there are 50,000 or 30,000 or 40,000. I do not know which I prefer to have; but nevertheless I think when you are drafting constituencies of a province it ought to be done just as fairly as you can do it.

You know, I am going to say one thing which perhaps my friends think I should not say, but I am not so sure about that. I think it is reasonable to say it anyway. I have been in this house for seventeen years and there are two men I have marvelled at in that seventeen years. One of them was the last member for Haldimand and the other is the present member for Haldimand. I have said to people on this side of the house that there must be a lot of good people living in Haldimand because I do not know where you could get two better Grits, let alone two better Tories, than those men—as far as their relationships with the rest of us are concerned. Mr. Senn was the agricultural critic here for many years and he criticized our activities. Nevertheless, he was always fair and I found the same thing with regard to his successor. I regret, of course, that changes have taken place which make it necessary to have the representation of that area changed. I think everyone will agree that when you get down to a position where you have only half of the population you ought to have some change has got to be made.

The man who taught me to be a Liberal was the editor of the old paper up in Seaforth the *Huron Expositor*. His grandson is here a member. I used to read the old *Huron Expositor* as it was the only paper we could afford to have around on the farm. The editor was a good Grit and his editorials were all Liberal. I read them very carefully every week and they had an influence on me. I naturally regret that in this adjustment that is being made something has to be done with that constituency which some may not like. The two members in question made about as reasonable speeches in this discussion as we have heard in this house.

I want to say that after all I do not think we are going to do very much good to ourselves or to the country by getting up and shouting that all these things we have been doing ever since confederation have been wrong. I do not think they have been wrong. I think we are doing it just about as well as it can be done and I have sufficient

faith in the members of this house to think that none of them are ciphers. The suggestion was made that we have on committees men who are ciphers. But I do not think you can pick a cipher out of this house. There is no such thing here. We have members who can sit on committees and perform their duties in the manner in which members should and they take the responsibility for drafting constituencies in different provinces. Personally I think they have done as good a job as could have been done by a commission or any other kind of organization.

Mr. Macdonnell (Greenwood): Mr. Chairman, I am sure that whatever else we may think of this speech we have just listened to we will all agree that it was very interesting and very disarming. I think we have to be on our guard unless we be entirely disarmed by it.

I perhaps might point out, in case any suggestion is made later on that we took up too much of the time of the house on this matter, that the minister—and I am not complaining because I found him interesting —took nearly an hour and a half. I am rather glad that he did, but at any rate I mention that just in passing.

Now, as far as I am concerned I was not a member of the committee and I am not one of those butchered to make a Roman holiday this time, so I can speak with a certain amount of detachment. Notwithstanding all that the Minister of Agriculture has said I am wondering whether there are any other people in this house who have had the experience I have had of feeling that what has been happening in the last three or four days is the best argument that could possibly be made for trying some other system.

Some hon. Members: Hear, hear.

Mr. Macdonnell (Greenwood): Let me give you one small illustration. However dark views we may have from time to time of the Minister of Agriculture, and notwithstanding that I was interested in his speech as I have said, it seems to me a pity that the Minister of Agriculture has to be spending an hour and a half on this kind of thing when there are many other duties that would call him.

Now just for a moment or two I want to review some of the things which have been said and to which as far as I can see no answer has been given or no attempt to answer has been made; because to me that is one of the interesting things in the debate. We seem to have got lost in the multitude of detail which I suppose was inevitable. But as far as my recollection goes there has been no attempt of any kind on the part of the government to answer the general argument made by the leader of the opposition and supported by others that this is a bad system and that we should try another system. I am going to refer to very few figures but I want to refer to one figure which I think has not been questioned and which was given by the member for Winnipeg North Centre when he pointed out that now in Manitoba the disparity between rural and urban seats has increased to 75 per cent. If I remember rightly the hon. member quoted the hon. member for Quebec South as saying that he thought 25 per cent was the right figure. The member for Winnipeg North Centre himself said that he would have been prepared to settle for 33⅓ per cent; the disparity previous to this redistribution had I think been 46 per cent, and he pointed out that it would now be 75 per cent. Well, Mr. Chairman, I do not think that anyone in this house will say that makes sense. If that is the best that can be done by these men after weeks of work in respect of one province then it seems to me that prima facie the system is not sound.

Now, I am glad that the Minister of Agriculture swept away one argument which is so tiresome and which the leader of the opposition did his best to remove at the outset. The Minister of Agriculture said that this was not done by one party more than the other. There has been nothing suggested to the effect that anyone is trying to establish a monopoly on virtue. All we are saying is that this is a stupid method and that we should try another method.

If we take another method we are not taking a pig in a poke. I understand, and my information is, this has been used in England. While it is true, as one of my colleagues on the right said last night, that when the report is made it must come back to the house, nevertheless I am told that the report of the commission has been accepted and followed in the British House of Commons.

I want to say a word here about the answers which have been given to some of the arguments made on this side. As to the hon. member for Ottawa West, I think he has had a most difficult job. I sympathize with him in it. I am prepared to believe that he has worked at this job extremely hard and has tried to produce a good result. But it is not possible to produce a good result under the circumstances.

Last Saturday I said something that afterward I thought might have been a little bit extreme. I said that we had 262—or whatever the number is—members with vested interests. What has happened since then makes me feel that statement was not an exaggerated one. The hon. member for Rosetown-Biggar used

a phrase which I have forgotten, but he quoted somebody as saying that we carried through the redistribution as looking in the faces of our friends, or something of that kind. You cannot get away from that fact; and to me it is one of the great evils.

I noticed that the hon. member for Ottawa West, in answering the hon. member for Eglinton, properly pointed out certain changes which had been made in Ontario which on the face of it seemed to be reasonable. Certainly they gave evidence that in these cases they were trying to deal with things in a common-sense way but he virtually made no reply—because I do not think any reply could be made—to the criticisms made by the hon. member for Eglinton with regard to what has been done in other cases; and, may I say, done—and I say this sincerely—in spite of what I am sure was a genuine desire to work out the situation in a workmanlike way.

I come now to the answer given by the Minister of National Revenue which interested me greatly. I think, perhaps not quite intentionally, he helped the hon. member for Eglinton to underline the argument he had made, because the hon. member for Eglinton as reported at page 3979 of *Hansard* explained that the population in the minister's riding of Renfrew South had increased by some 2,000, or six townships, and the minister on a question of privilege raised the point that one of those townships had a population of only 16. I have no doubt that is entirely right, and it was a pleasant endorsement of what the hon. member for Eglinton was saying or arguing, namely that the change which had been made was practically no change at all in population.

I want to repeat that no answer has been given; and I suggest that we are getting that kind of thing often. The government does not believe in arguments. It believes in votes. I suggest that we are now getting to the undemocratic situation that members just vote and do not feel that they need to justify what they are doing. I now want to refer again—

Mr. Harris (Grey-Bruce): Will my hon. friend permit a question at this point?

Mr. Macdonnell (Greenwood): Yes.

Mr. Harris (Grey-Bruce): The hon. member referred to the constituency of my colleague. I was wondering whether he was going to offer a suggestion with respect to that constituency, as to what he would do.

Mr. Macdonnell (Greenwood): I did not hear the question.

Mr. McCann: What would you do about Renfrew South?

[Mr. Macdonnell (Greenwood).]

Mr. Macdonnell (Greenwood): I am not making detailed suggestions. I was not on the committee. I explained that I am not going into details. I am here making a general argument as to the principle.

Mr. McCann: There is no principle there at all.

Mr. Macdonnell (Greenwood): There are plenty of people here who will be prepared to answer the minister's question; but it would be foolish for me to try to answer it because I was not on the committee. I am just referring to the fact that the hon. member pointed out that the addition to the minister's population was trivial, namely about 2,000, and that the minister helped the argument on by saying that in one of the six townships the population was 16.

Mr. McCann: I rise on a matter of privilege in order to make a correction. The argument that was being made by the hon. member for Eglinton was as to the number of townships. He was basing it on townships and not on population. I sought to correct him.

Mr. Macdonnell (Greenwood): I will read what the hon. member for Eglinton said.

Mr. McCann: I sought to correct him by pointing out what was the fact, namely that one of the townships according to the census has only 16 people in it; it is a barren township.

Mr. Fleming: I rise on a question of privilege. The minister is completely mistaken. I was not basing my argument on townships at all. I was dealing with the population of areas.

Mr. McCann: Oh, no.

Mr. Fleming: The minister was too stupid to take it in; that was all.

Mr. Macdonnell (Greenwood): I will settle the matter. I will read what the hon. member for Eglinton said.

Mr. McCann: Mr. Chairman, will you kindly ask the hon. member for Eglinton to withdraw the word "stupid" as used in reference to me? I respectfully suggest that it does not apply.

Mr. Hees: The hon. member for Eglinton never tells a lie.

Mr. McCann: I ask that the word be withdrawn.

The Deputy Chairman: I am sure the hon. member for Eglinton will be glad to withdraw it if he used such a word.

Mr. McIlraith: He used it.

Mr. Fleming: I am sorry, but I did not hear the chairman's remark.

Mr. McCann: The hon. member heard it.

The Deputy Chairman: The minister asserts that the hon. member for Eglinton used the word "stupid" in reference to him. I am sure the hon. member for Eglinton will agree that the word should be withdrawn if it were used.

Mr. Fleming: According to my understanding, Mr. Chairman, the word "stupid" is not unparliamentary. It has been used in the house quite often in my hearing.

Mr. Macdonnell (Greenwood): Mr. Chairman, I can add that I am sure I have been called stupid.

Mr. McCann: Perhaps the cap fitted.

Mr. Macdonnell (Greenwood): If it would help to soothe the feelings of the Minister of National Revenue, who is a fellow graduate of Queen's university, I may tell him that the hon. member for Eglinton regards all us Queen's men as stupid.

Mr. McCann: Mr. Chairman, on a matter of privilege, I demand that the word "stupid" as applied to me be withdrawn.

Mr. Hees: Oh, don't be a stuffed shirt as well as being stupid.

Mr. McCann: The hon. member can't buck me down. He is a big man but he is not big enough for that.

The Deputy Chairman: Order.

Mr. Macdonnell (Greenwood): Is the minister asking me to withdraw, Mr. Chairman?

Mr. McCann: Mr. Chairman, I have the floor on a matter of privilege. The hon. member for Eglinton—

Mr. Hees: Take it easy.

The Deputy Chairman: Order.

Mr. Hees: Take a run at it.

Mr. McCann: In referring to me, Mr. Chairman, the hon. member for Eglinton said I was too stupid to understand. I demand that that remark be withdrawn. As to the hon. member who has spoken last—I refer to the hon. member for Greenwood—with reference to members of the house being all called stupid, may I say that if the cap fits, let them put it on; but it does not fit me.

An hon. Member: Wear it anyway.

The Deputy Chairman: In view of the remarks made by the minister, I feel that the hon. member for Eglinton should withdraw the word "stupid".

Mr. Fleming: Mr. Chairman, if I had used an unparliamentary term, I should be the first one to withdraw it; but I did not use an unparliamentary term. The word "stupid" is not unparliamentary. It has been used in this chamber many times as applied to members of the house. I may say that I used the word with some care.

Mr. Hees: After great consideration.

Mr. Gardiner: I would say that if the hon. member does not withdraw it, he ought to apply it to himself.

Mr. Fleming: Mr. Chairman, I deliberately refrained from using an unparliamentary term.

Mr. Gardiner: Withdraw it anyway.

Mr. Harris (Grey-Bruce): Mr. Chairman, on a point of privilege may I say that I have heard the word "stupid" used in connection with stupid remarks, but I do not recall any hon. member referring to another hon. member as stupid.

Mr. Fleming: Mr. Chairman, I always like to make a contribution to peace and harmony in the House of Commons; and if it will assuage the injured feelings of the Minister of National Revenue, for what I said I will substitute the statement that the minister made a very stupid remark.

Mr. Hees: We will all agree to that.

Mr. McCann: Mr. Chairman, I rise on a matter of privilege. That is not a withdrawal. I demand a withdrawal of the word which the hon. member admits that he used with reference to me.

An hon. Member: Might is right.

The Deputy Chairman: As I apprehend the situation, the hon. member for Eglinton has withdrawn the word "stupid" as applied directly to the Minister of National Revenue. He has amended that and said that there was a stupid remark. I think the withdrawal was complete in so far as any personal reference to the minister was concerned.

While I am on my feet may I draw to the attention of the members of the committee the fact that members are rising ostensibly on questions of privilege which I do not believe to be valid questions of privilege. I think the work of the committee would be expedited if only valid questions of privilege were raised. In some instances during the course of this debate, both yesterday and today, members have risen ostensibly on questions of privilege that the Chair felt might possibly be either the refutation of argument or the delivery of a counter-argument. I would

ask hon. member to co-operate with the Chair and rise on questions of privilege only on the proper occasions.

Mr. Macdonnell (Greenwood): It seems to me, Mr. Chairman, an awfully long time ago that I was speaking.

Mr. Hees: Start it again.

Mr. Macdonnell (Greenwood): I almost feel like starting it again, but I will not. I had just got to the point where I wanted to refer to statements made about this practice we are following and from here on I am going to try to be serious. I hope I will be allowed to be.

There are three or four comments which were made by the hon. member for Quebec South that I want to read. They are very brief, and as I read each of them I want hon. members of this committee to ask themselves whether or not what he says is correct. If what he says is correct then all I can say is that we should be ready to change this method. First of all I read his general comment from page 1808 of *Hansard* of 1939. He refers to what he calls:

> . . . the procedure whereby every ten years or so this house is made the theatre of a somewhat unseemly, undignified and utterly confusing scramble for personal or political advantage.

Now, Mr. Chairman, either that is a clear description of what goes on, or it is not. I suggest that notwithstanding the disarming speech of the Minister of Agriculture that we listened to, there is, and is bound to be, a very considerable amount of truth in this remark made by the hon. member for Quebec South years ago. Later on he speaks about what he calls the law of the jungle, and he uses the phrase "might is right". I do not think anyone can doubt that even what I called the disarming speech of the Minister of Agriculture made perfectly clear that that is true; and therefore I ask, Mr. Chairman, whether it is reasonable, whether we as responsible people should be prepared to continue a method which is characterized in the way I have read, and I think fairly characterized.

We have been debating this now for three days. I do not know how much longer it is going to go on. I will not add much to it, but it will go on. As a matter of fact, when you come to think of it, Mr. Chairman, we are in a rather ridiculous position. There is no principle at all that we are following. I cannot find that there is any principle. The only principles that are mentioned have been ignored.

We had the old slogan of "representation by population" which is supposed to be the basis. We all recognize that there has to be some qualification of that, but how much qualification nobody knows. And so we get those fantastic results which have been pointed out. It is suggested there is give and take but as was pointed out here this morning, it is usually one side doing the giving and the other side doing the taking.

It occurred to me that it might be of interest to see whether any comment had been made in this country from which this gerrymander comes. I have here an article written by an American some years ago, and I want to quote from it very briefly because I think he describes very clearly what the effect of this is. His point is that it is really an evasion, a setting at naught of the democratic idea that representation should be by population.

That leads me to this point; it leads me to interject this. I hear people say that nobody in the country cares about this; nobody outside this house cares two straws about it.

Mr. McIlraith: Nobody said that at all.

Mr. Macdonnell (Greenwood): The hon. member is covering quite a lot of territory when he says nobody said this. I am not suggesting he said it, but I have heard it said, and I have heard it said more than once; and my comment on it is that at the moment it may be true. There may not be very much interest in this throughout the country, but I believe that when people find out what has been happening there will be interest in the country. There will be great interest in Haldimand when they find out what has happened here, and I might mention other places, too. But I want to read now briefly from this statement which is found in the book entitled "American Political Science Review of 1918", which is a long time ago:

> The gerrymander is an American name for a political abuse, which, though by no means exclusively American, has been most widely practised and generally tolerated in this country. It is a device for the partial suppression of public opinion—

That I believe is worth thinking about; I believe it is true. I continue:

> It is a device for the partial suppression of public opinion that simulates agreements with democratic institutions.

And further he says:

> It is solely the accident of numerical superiority that determines which party is the offender and which the victim.

I think we can all say "amen" to that. I just wanted to raise these points. I imagine there will be more in this house who will agree with that than would like to say so. I can well imagine that some of those who have been occupied for some weeks in trying

to work things out might be among the first, if they felt free to do so, to say: Let us get some other plan.

As I said earlier, if we adopt the commission plan we are not taking something that is untried; we are taking something that has been tried elsewhere and is working, and I do not think any man in this house will say that he is satisfied with the present plan.

Mr. Bruneau: I should like at this time to congratulate those who sat on the redistribution committee for a job well done. As regards our two ridings in eastern Ontario, one of them, Glengarry, with a population of about 17,000 and Prescott, with a population edging 27,000, not much more could be done than to have a merger; and no happier marriage could have been thought of than to unite the two historic counties of Glengarry and Prescott.

As early as the year 1880, during the third parliament of confederation, the counties of Glengarry and Prescott were united through an act of parliament; and I am sure, Mr. Chairman, that the people I now have the honour to represent in this house welcome to their fold those of Glengarry, and I know that as much can be said for the population of the neighbouring riding now belonging to the new electoral district.

Two great nationalities have lived together in harmony since the beginning of our political history. Those of Scottish origin and people of French extraction have always lived happily together and have also, to use a French expression, "fait bon ménage" with the Irish and English-speaking people.

The very word Glengarry calls up visions of chivalrous chieftains in waving tartans and plumed bonnets. It was after the suppression of the Jacobite rebellion of 1745 that the highlanders of old Glengarry in Scotland first emigrated to America settling, at the invitation of Sir William Johnson, in the Mohawk valley. It was a beautiful and fruitful land, but not for long did the highlanders give themselves to the quiet cultivation of their farms and orchards. The revolutionary storm was brewing when they arrived, and when it broke many of the Gaelic clansmen took up arms to strike for the king.

The war ended, and many of the highlanders settled in what are now the three counties of Glengarry, Stormont and Dundas. The government land agent allotted lands to them by letting them draw some numbered slips of paper shaken together in a hat. Amongst the newcomers were a number of highland gentlemen who had held commissions in the Royal Highland Emigrants and other regiments, and the half-pay received by these ex-officers was for some years the first source of the very limited supply of cash which circulated in the settlements.

Sir John Johnson, who had lost an enormous amount of property, received some land in Glengarry. He built a mill at Williamstown, named after his father, and later presented to the people twelve acres for fair grounds which are still in use under the name of the Glengarry agricultural grounds.

In the first parliament of Upper Canada, two Macdonell brothers sat for Glengarry and one of them was elected Speaker. The famous Glengarry Regiment of Light Infantry which so distinguished itself through the war of 1812 was raised chiefly through the exertions of the two other men of that name; and a Macdonell shared the fate and the glory of Brock in the battle of Queenston Heights. Yet another Macdonell, a priest, Alexander, came from Inverness in 1786 with almost his whole parish of about 500 souls, to found in the new Glengarry St. Raphael's, the pioneer parish of his communion in Upper Canada. Here he built the first Roman Catholic church known as the blue chapel upon the site of which another priest of the same name, who became the first Roman Catholic bishop in Upper Canada, erected a large and handsome church.

Later, when war with the United States was threatening, the future bishop, actuated by patriotic motives, was more active in rousing and recruiting the Glengarries. But by no means were his energies devoted to military affairs. As a missionary the sphere of his labours extended over a great part of Upper Canada. For instance, immediately after his arrival in this country he made it his business to obtain legal patents for the lands held by the highlanders. The "man from Glengarry" had the reputation of being strong and forceful and it is said that the history of the county is a proud record of most valuable services rendered to the county in early times when the men of that county made its name famous in war and peace.

Prescott county, set apart in 1798 and named after the governor of Canada who succeeded Lord Dorchester, has special links with the French regime. There is a tradition that the rude little fort at the foot of the Long Sault rapids on the Ottawa, where Dollard des Ormeaux, with his sixteen heroic Frenchmen, made his stand against the Iroquois, was at Greece's Point in Hawkesbury township.

The township of Longueuil represents one of the very few grants made during the French regime, on the feudal system, within the limits of what is now Ontario. On a map of 1828 it was marked as the seigniory of

Pointe à l'Orignal. It was owned by descendants of Charles Le Moyne, elder brother of the famous d'Iberville, but in 1796 was sold to an American named Treadwell who opened it to emigrants.

Both United Empire Loyalists and Americans who sympathized with the other side in the struggle with Britain were numerous among the Prescott pioneers. Settlers of French origin cultivated the low-lying lands and also helped to build up the county. During the war of 1812, at which period the county was grouped with its southern neighbour Glengarry for parliamentary representation, Prescott men of both races fought for England.

In 1805 a mill was erected in Hawkesbury which was bought three years afterward by three brothers named Hamilton. One has since become a senator and another was in succession bishop of Niagara and of Ottawa.

The parish of Hawkesbury originally included the whole of Prescott county, but in 1869 the two parishes of Vankleek Hill and Plantagenet were set off from it. L'Orignal, the French word for moose, is still the county seat. Formerly most of its inhabitants were English but the great majority are now French. It is an historic little village, on the shore of the Ottawa river. At first the court sat in a schoolhouse, and a private house, generally the sheriff's, was used for a jail.

To have been a member of the first Canadian parliament and represented the riding of Prescott in the Commons under the premierships of Sir John A. Macdonald, 1867-1873, and Hon. Alexander Mackenzie, 1873-1878, was the distinction of Mr. Albert Hagar. When the first session of the new federal parliament opened on November 8, 1867, Mr. Hagar was 40 years of age. He was also in the Commons chamber on the tragically memorable night of April 6, 1868, when Hon. Thomas D'Arcy McGee, famous Irish orator, writer, patriot and statesman, made his last speech a few hours before he fell victim to an assassin's bullet. It was a dramatic incident in the history of the nascent Canadian nation that Mr. Hagar vividly recalled on occasion when in a reminiscent mood.

Mr. Hagar and Sir Mackenzie Bowell, who was Canada's sixth premier and held that office from 1894 to 1896, were roommates. No railways linked Ottawa and Montreal by direct route in those far-away pioneer days, and the first member for Prescott used to make the forty-mile trip from his home in Plantagenet to the capital to attend to his sessional duties by sleigh in winter and by boat in summer. This trip he would undertake weekly during the session, no matter how severe the weather.

The constituency of Glengarry-Prescott will now constitute a wedge in the whole eastern tip of Ontario bordering the province of Quebec between the St. Lawrence and the Ottawa rivers. This fraternity of people of different denomination and racial origin will, I am sure, as it has in the past, have its bearing on the development of our great country, and will leave its imprint on our national history.

Mr. Nowlan: Mr. Chairman, I think it is appropriate that on this Dominion day we should be debating the subject of redistribution in the various provinces of Canada. For a while we heard a discussion respecting Ontario. Then we shifted to the west, where we dealt in some detail with the problem in Saskatchewan. From the hon. member who has just taken his seat we heard a most interesting discussion of the historical background of two of the older constituencies in Ontario.

Then in the course of the debate this afternoon we heard the most optimistic survey I have heard for some time as to the possibilities of the Conservative party in Saskatchewan. I only hope the Minister of Agriculture is as sound in his diagnosis of the position of that party in Saskatchewan as I think he was unsound in his diagnosis of the lines that should be drawn in that province.

For a short time I should like to discuss the situation as it affects one of the most easterly provinces of Canada, the province of Nova Scotia. I do this because some reference has been made to that province and to one or more constituencies during the debate which has progressed during the last two days.

It is a matter of record, to be found by looking at the bill, that the representation of this province is to be reduced at this time. It will be recalled that at one time the province of Nova Scotia had 21 members in this House of Commons, and we are now to lose one of our present members. It is true that we are losing one which we gained, but we will be back to 12 members despite the fact that the census indicates an increase in population of some 64,000 to 66,000. In other words our population has increased more than the quotient which is necessary for the election of a member. However, because of the increase in other parts of Canada it is found necessary to reduce the representation of this province by one member.

I agree with what the Minister of Agriculture said this morning about hon. members welcoming and supporting the formula which prevented a marked reduction in the representation of certain provinces. We supported that; we believed it was necessary and right. But we rather wish that some formula could have been devised which would have prevented the representation of this province, which has suffered such a marked reduction through the years, being still further reduced at this time. This is not because of any decrease in population; it is despite the fact that there has been a substantial increase in the population of the province.

Having made those general remarks, I should like to look for a moment at the redistribution of seats within the province. There are bound to be anomalies in such a distribution. For instance, there is Cape Breton island with a large industrial city, having a population of over 80,000. Then there are rural seats with populations substantially less. I do not think any consideration was given nor should it have been given to a redistribution in that particular area. It is separate and apart from the rest of the province. It has a huge industrial area; and although the populations of other ridings are not in proportion, there are areas there which make redistribution difficult.

Then coming to the mainland we find a tremendous increase in the population of Halifax with no change being made in that riding. This is one of the two dual ridings in Canada. When one realizes the disparity between the populations of these different ridings he can appreciate the argument—in fact it was more than an argument, it was more or less a prophecy that was made by one hon. gentleman—that this is probably the last redistribution we will have by the House of Commons, that within the next decade steps will have been taken to provide the method which has been suggested during this debate and thereby overcome the anomalies which undoubtedly exist.

Let me deal briefly for a moment with ridings apart from those I have mentioned. According to the last census report supplied by the department the smallest riding in the province, the one which I shall deal with first, has a population of 26,212, indicating an increase of only 210 in population during the last decade. The second riding has a population of 26,936 with an increase of 1,700 during the last decade. The largest rural riding in the province, Annapolis-Kings, has a population of 54,930, with an increase of over 8,300 during the last decade. The riding of Annapolis-Kings showed the largest increase of any riding with the exception of the city and county of Halifax. It is one of the two rural ridings in the province which is above the quotient of 54,000 which is needed. That was the situation that existed when the committee came to consider what action should be taken.

A committee was set up which considered these various factors. It was faced with the fact that one seat had to be removed from the province. It was decided that the riding which should be dropped was the second smallest in the province, the one with a population of 26,936. That riding was done away with at the committee meeting. After considering all the factors involved in the situation the committee decided that the constituency of Annapolis-Kings should remain as is and that the population of this riding which was being removed—

Mr. MacNaught: On a question of privilege, I was chairman of the subcommittee of that province and no such agreement was entered into.

Mr. Nowlan: I knew this question of privilege would be raised; I knew there would be an abuse of the question of privilege to which you, Mr. Chairman, objected a little while ago and to which your predecessor had earlier objected. If the hon. gentleman wishes to make a speech in connection with it, it is his privilege to do so. I am giving my word as a member of this house that the definite decision was arrived at in that committee that the constituency of Annapolis-Kings should be left alone. That is supported by other members of the committee who were with me, not only Conservative members but others as well.

Be that as it may, as I said weeks went by and finally the report was shown to me. I then found that the municipality of Digby had been added to Annapolis-Kings. So we arrived at this situation. The smallest constituency in the province, Antigonish-Guysborough, with 26,212 remains unchanged, yet 11,508 of population is added to the largest rural constituency in the province, giving it a population of 66,500 odd.

An hon. Member: That is a shame.

Mr. Nowlan: I am not questioning that; I simply want to bring out these facts because we are discussing the manner in which redistribution has been carried on. The suggestion has been made that some other system would work more effectively, and I suggest that these facts corroborate that suggestion. The largest constituency receives this addition while the smallest constituency remains as is.

It may be said that there were political difficulties in removing the small constituency. I am quite prepared to admit that there were difficulties, but I do suggest that it is a rather anomalous situation when you find this disparity. It rather bears out the statement found in the new testament where the Saviour said, "To him that hath shall be given." Certainly that was the case here, because one of the largest constituencies had more given to it.

It is true that yesterday the minister, in replying to a statement made by the hon. member for Kamloops, said the constituency of Lunenburg had received a greater addition than any other constituency in the province. It is true that the constituency of Lunenburg received 12,544 additional votes and that the constituency of Annapolis-Kings received 11,580. In other words, the constituency of Lunenburg got 964 more people than the constituency of Annapolis-Kings. But you start off with the constituency of Lunenburg with a population of 33,256, and you start off with the constituency of Annapolis-Kings with a population of 54,930. Therefore the argument about having received such an increase is not quite so effective as one might think.

Alternative suggestions were made. I am not going to labour the matter at this time. The net result of redistribution in so far as these three constituencies in the southwestern part of the province are concerned is as follows. The new constituency of Queens-Lunenburg will have a population of 45,800; the constituency of Shelburne-Yarmouth-Clare will have a population of 45,595, and the constituency of Digby-Annapolis-Kings will have a population of 66,510. In other words, after redistribution there is a disparity of over 21,000 between the constituency of Digby-Annapolis-Kings and the other two constituencies to which I have referred.

I am suggesting that is not redistribution as it should be. Some system could have been worked out. We have finally decided to divide counties on the basis of municipalities, and if that suggestion had been adopted the constituency of Annapolis-Kings would still have been larger than either of the other two but the disparity would have been a matter of 4,000 or 5,000 instead of over 21,000.

We have heard discussions today about urban ridings in Saskatchewan with a population of 45,000 or 50,000, and we have heard discussions about rural ridings in Ontario with populations of 50,000 and much less. If you describe a rural constituency as one containing no cities within its boundaries, then I say the net result of this redistribution in Nova Scotia is that in Digby-Annapolis-Kings you have the largest rural constituency in Canada with a population of 66,500.

Mr. McIlraith: That is not so.

Mr. Winters: No.

Mr. Nowlan: The hon. gentlemen say it is not so. They can produce their figures. I have checked the records and I believe that to be a true statement. I could have made a mistake in checking the records. I was certain of what happened in the committee, but I am prepared to be corrected with respect to the report of the census commission, though I went through it and could not find any other riding in Canada not containing a city which had a population as large as that. However, if there is one, well and good. It will certainly be an exception. I know that if the committee report that was first brought in had been adopted this situation would not have prevailed, and one would not have to talk about it now. I should like to know why the decision made by the committee was not acted upon and why for some reason there were no subsequent meetings of the committee whatsoever until objection was taken.

In saying what I have said, may I say that I have heard some members discussing the situation in the constituency of Annapolis-Kings. I presume there are slips of the tongue but some almost seemed to speak in such a way as to assume that one has a vested right in a constituency. I want to make it abundantly plain that I am not seeking to create any such impression in so far as the constituency of which I am the member at the present time is concerned. No candidates have been nominated by any party. I do not know when they will be nominated, nor do I know who will be nominated, and certainly I would be the last to suggest who might be elected because that is the prerogative of the people of the constituency and certainly not one which anyone can assume.

In speaking as I have this afternoon I want to explain that I am not speaking at all because of any personal implications whatsoever. I am speaking on behalf of the people of that constituency who I think are going to be placed in a most invidious position in the future in so far as representation is concerned, no matter what member of what party may represent it. If I were a candidate again and it were my good fortune to be elected I would be very happy to represent as well as I could the people of this whole constituency, both Annapolis-Kings and the Digby addition. It is an honour to anyone to represent a constituency in which he has

lived and which he has adopted as is the case so far as I am concerned with respect to Annapolis-Kings.

In so far as Digby is concerned, if I should be elected to represent it I would be elected by the county in which I was born, because Digby county is the place of my birth. It is true that it is just outside of the municipality which has been added to the constituency, but it is so near the boundary that one can almost throw a stone across it, and the school I attended as a very small boy is the school that is established within this municipality. I well remember as a very young boy going to Weymouth, which is in the constituency, and being amazed and enthralled at the signs of industrial activity I saw there. There were a few sawmills and some schooners lying at the wharf. In those days Digby of course was an industrial centre which was almost as remote and certainly more important than Boston, which was the centre of the maritime provinces as far as we were concerned at that time.

As I have said, one could welcome from every standpoint of tradition and sentiment the representation of that constituency. My forefathers established their homes there. Their names have been associated for generations with the development of the county as stipendiary magistrates and municipal councillors. Therefore I say that from the standpoint of tradition and sentiment I welcome the opportunity to represent a constituency which now includes the municipality of the county of my birth as well as that part of the constituency which was mine by adoption.

But, sir, how can it be done adequately when the population is so large? Some talk was heard in the committee about the fact that there were many long miles of coast line which it was very difficult to represent in the House of Commons. I quite admit there are difficulties in representing fishing communities. We all know that. I have them in my own constituency as it exists today, and although there may not be the deep indentations along the coast line of Annapolis-Kings that there are in the Yarmouth or Shelburne districts, my impression would be that there are just as many fishing communities along these smaller indentations in the coast line as there are along the much deeper ones in the other counties.

After all, one is not elected to this house to represent scenery or miles of beautiful highways. It is a question of representing the people who live along those highways. It is a matter of representing the population, whether along the seacoast or in the interior. Take the constituency of Annapolis-Kings. It is approximately 112 miles from Hantsport to Weymouth along the highway. In addition there are five parallel systems of highways running east and west down through Kings county including the trunk highway and over to the bay shore. It is true that when you get down into Annapolis county you only have two, but in addition you have all the crossroads running back and forth. All the fishing communities, the apple growers and dairy farmers, and now the lumbermen and other fishermen of Digby county, have to be represented. No matter how efficient a member may be, whoever may be elected, no matter how conscientious he may be, it is going to be most difficult for him to give to the people of that constituency the representation which they deserve and which they need. I do suggest that a system of redistribution could have been followed, sir, which would have given more equality of representation and which would have been fairer to the people involved than the one which has been adopted and carried out.

Mr. Winters: Mr. Chairman, I was not a member of the committee, and I thought perhaps somebody might ask me why I am speaking on this occasion. I expected the hon. member for Annapolis-Kings would make the remarks he has made. I was led to that expectation by reports from the members of the committee as well as by reports in the press.

I am satisfied, Mr. Chairman, that what was done by the committee was done in the best interests of Nova Scotia. Perhaps it might be well in the few minutes remaining before four o'clock to give a brief review.

In the 1947 redistribution on the basis of 1941 figures, the Nova Scotia population was 577,962. The 1951 census showed us to have a population of 642,548, an increase of 64,622 or 11·2 per cent. The corresponding increase for Canada for the same period is 17·5 per cent, which means that although Nova Scotia gained 64,622 in population we lose one seat.

As the hon. member for Annapolis-Kings has said, our representation in this house has varied quite widely since confederation. At the date of confederation, 1867, we had 19 members; that rose to 21 members in 1872; it remained at 21 members in 1882. Then we started to decline. In 1889 we had 20; in 1903, 18; 1914, 16; 1925, 14; 1933, 12; and in 1947 we went up to 13 members. In this redistribution we go back to 12 members.

It is interesting to note here that the committee has recommended a return to the precise constituency boundary arrangement that prevailed after the redistribution of 1933 which of course, as hon. members will recall,

was done under a Conservative government. In Nova Scotia at the present time we have 12 constituencies with 13 members, Halifax being a dual constituency. Following this redistribution we will have 11 constituencies with 12 members. At the present time representation of the constituencies is: eight constituencies represented by nine Liberals; three constituencies represented by three Progressive Conservatives; and one constituency represented by a C.C.F. member.

It has been said that in every redistribution somebody is bound to be hurt. Well, Mr. Chairman, the only people who are going to be injured in this redistribution are the people of Queens-Shelburne, who will sacrifice the services of one of the finest members that has ever represented them in the House of Commons.

Some hon. Members: Hear, hear.

Mr. Winters: It has been the practice of opposition members in this debate to refer to their members, perhaps with reason, as being without exception distinguished members.

Mr. Stuart (Charlotte): Outstanding.

Mr. Winters: Quite outstanding. I wish to say here that when we are talking about distinguished members in the House of Commons the present member for Queens-Shelburne is the peer of anybody. On that basis I say the only people in Nova Scotia who stand to be hurt are the people of Queens-Shelburne who will be deprived of the privilege of being represented by that distinguished member.

A look at the map of Nova Scotia by anyone who is observant will show that the three constituencies represented by Progressive Conservatives in one way or another adjoin each other. There were possible ways of redistributing Nova Scotia so that these three seats would become two seats. It was felt by members of the committee, and I concurred of course, that the arrangement that would cause the least disturbance to voters in Nova Scotia generally would be a reversion to what took place in 1933 under the Progressive Conservative government.

An hon. Member: Just Conservative then.

Mr. Winters: Just as a matter of interest I read some of the debates on that occasion. The chairman of the committee was Mr. R. K. Smith, who represented Cumberland. He was justifying the constituency set-up at that time, the same one we are proposing now, and he said:

> In effect, all that has happened to the hon. member for Digby-Annapolis is this. He has had a small portion cut off the western end of his constituency namely, Clare, and he has had a larger portion added to the eastern end, namely, Kings. It is unfortunate, I admit, that this constituency is larger than desirable in population and area, and no one regrets it more than I do, but we had to come to that conclusion under the circumstances. Somebody in the province of Nova Scotia had to get hurt in this redistribution; some one had to make a sacrifice, and in the layout and recasting that presented itself to me I felt that the sacrifice would have to be made where recommended.

Exactly the same conditions prevail here, and another sacrifice had to be made. It seemed to be the fair thing. And I must say in all honesty and sincerity that I was never more surprised than at the objection coming from the member for Annapolis-Kings, when it was decided that a seat would have to be dropped and when the committee recommended, I think with justification, that it should be a Liberal seat that should be dropped. Despite the distinguished representation here in the house, there was a population of 26,936 that had to be absorbed.

I should say here that the new constituency of Queens-Lunenburg will reflect a greater increase in both population and area than any other constituency in Nova Scotia.

Some hon. Members: Four o'clock.

At four o'clock the Speaker resumed the chair and the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

PRIVATE BILLS

BOUNDARY PIPELINE CORPORATION

The house resumed, from Tuesday, June 24, consideration in committee of Bill No. 62, to incorporate Boundary Pipeline Corporation—Mr. Larson—Mr. Beaudoin in the chair.

On section 1—*Incorporation.*

Mr. Larson: Mr. Chairman, I have heard from several quarters that the pressing of this bill is impeding the progress of the business of the house which all hon. members want to complete. I feel that the bill has had ample discussion. I do not think anything can be clarified more than it has been clarified. I submit that we should go ahead and pass this bill. We could do it in ten minutes, and the business of the house would be completed that much more quickly.

Mr. Fraser: Right or wrong, pass it! That is not good business.

Mr. Brooks: Mr. Chairman, fortunately there is not unanimous opinion on that matter in the house.

Mr. Applewhaite: Let us take a vote.

Mr. Brooks: I was discussing this bill at nine o'clock on June 24. It is really so long ago that I have almost forgotten. Before I continue with my remarks may I say that I have been asked by the hon. member for Lambton West to make for him a correction in his remarks here some time ago when he was discussing the Boundary Pipeline Corporation bill. At that time he said that about 2½ billion cubic feet a year were coming back into Canada from the United States, and that was coming in through the province of Ontario. This was a mistake as far as the number of cubic feet were concerned. During the calendar year 1950 3 billion cubic feet came into the province of Ontario. In the calendar year 1951 3·3 billion cubic feet were received. At the present time the Union Gas Company are receiving at a daily rate which will ensure receipt of the 5½ billion cubic feet this calendar year which is covered by their contract and the export permit granted by the federal power commission in the United States. The hon. member for Lambton West wished me to make that correction for him.

When I was discussing this matter the other evening I stated what I thought was in the interests of the people in my part of the dominion. While we do not expect to obtain any great benefit from this great natural resource in the province of Alberta, we are nevertheless concerned that it be preserved for the people of Canada. That is the chief reason I am speaking tonight. Also at this time I should like to commend the hon. member for Vancouver-Quadra for the great interest he has taken in this matter. I know that the only interest the hon. member for Vancouver-Quadra has in trying to protect this great natural resource for the people of Canada is the interest he has in the future of this country.

At 9 o'clock last Tuesday night I was discussing the policy of the United States. At that time I was comparing the policy there with what I thought should be the policy here in Canada. In the United States the government protects its people in the exportation of gas; that is, if they consider there is not sufficient gas for exportation and for the use of their own people in the United States, then they prohibit the export of gas to Canada. In that connection I had read a paragraph from the decision in the Panhandle Eastern Pipe Line Company case re the application of the Union Gas Company of the city of Toronto. If further evidence is necessary—and I think perhaps it would do no harm to produce further evidence—I should like to read section 3 of the Natural Gas Act of the United States:

> After six months from June 21, 1938, no person shall export any natural gas from the United States to a foreign country or import any natural gas from a foreign country without first having secured an order of the commission authorizing it to do so. The commission shall issue such order upon application, unless, after opportunity for hearing, it finds that the proposed exportation or importation will not be consistent with the public interest.

I might say, Mr. Chairman, that the first consideration of the government of the United States is their own public interest. To continue:

> The commission may by its order grant such application, in whole or in part, with such modification and upon such terms and conditions as the commission may find necessary or appropriate, and may from time to time, after opportunity for hearing, and for good cause shown, make such supplemental order in the premises as it may find necessary or appropriate.

This act was passed on June 21, 1938. As I stated before, that is the practice in the United States with regard to the exportation of gas. There must be an order from the federal power commission. This order is subject to cancellation upon proof of an unsatisfied need for gas in territories adjacent to the pipe line in the United States. As far as we are concerned, Mr. Chairman, I think that is sufficient evidence that the United States does not intend to export this great natural resource to Canada. Naturally they could not export it to any other country, unless it would be Mexico or South America because, as we know, the only way in which gas can be exported is by pipe line. It is not like gasoline, as one of the hon. members here mentioned the other night. Gasoline or oil can be exported by boats, by tank cars and in many different ways. And besides protecting their own interests as far as their export of gas is concerned, the large gas pipe line companies in the United States also wish to protect their own market against imported gas from other countries. We might almost say that they want it both ways.

The Pacific Northwest Pipe Line Company, which is controlled by the Fish Engineering Corporation in the United States, as is the Boundary Pipeline company, is opposing the export of gas from Canada through the province of British Columbia. The other evening the hon. member for Kindersley mentioned the fact that we are already exporting gas. Well, it is a fact that we have already arranged to export and hope to arrange for the further export of gas to Seattle and Portland, but this large United States company is trying to prevent the export of Canadian gas to the United States at the present

time because, as I say, they want to reserve that splendid market for themselves.

It is well known that we export gas at the present time, some 10 billion cubic feet a year, to Montana to be used by the Anaconda Company there.

I should like to read a quotation from the *Sunday Sun* of Vancouver, dated June 14, which says:

Gas reserves key to pipe-line permit

This article mentions the fact that it is hoped gas will be exported from the Peace river area through British Columbia and into the western United States. It is practically the only market we would have for the gas from the Peace river area, besides serving local needs.

The article goes on:

Big rival of Westcoast in securing the necessary United States Pacific northwest markets is Pacific Northwest Pipelines Incorporated, a company affiliated with the Fish Engineering Corporation, Houston, Texas, well known in the gas transmission industry. It wants to pipe Texas gas to Portland and Seattle.

Pacific Northwest Pipelines have secured the allegiance of Henry Gellert, president of the Seattle Gas Company, who has declined to give Westcoast even a letter of intent to purchase Canadian gas.

These forces will oppose Westcoast before the FPC.

At the board hearings in the past three days they were represented by S. Bruce Smith, Q.C. of Edmonton, who battled long and hard with cross examinations to prove that Peace river gas reserves are not sufficient, that Westcoast is not financially sound in its backing, that it should have firm commitments from gas suppliers and distributors before any permit is granted by the board.

The board was satisfied in all requirements excepting that of the problem of gas reserves.

I quote that to show to what ends the gas companies in the United States will go to try to retain their own markets. I quoted the former references to show just how difficult it is for us to obtain gas from the United States, if they consider their own people are not being fully served.

I do not wish to repeat what I said on a former occasion, but it has been shown to this committee that both Ontario and Quebec are well acquainted with the fact that it is very difficult indeed to secure gas from the United States. They realize that the government of the United States is averse to shipping gas into Canada unless, as I said a moment ago, all their people are served along the different pipe lines that have already been constructed. Evidence was adduced in this committee to show that along most of the pipe lines from Texas to the Canadian border there is still a great demand in the United States for gas. The gas companies of Ontario realize this, and they also realize that if they are to have in the future a permanent supply of gas they cannot depend on the United States for it. They must depend on the gas which comes from the province of Alberta. This has been stated definitely by the officials in the government of the province of Ontario and very emphatically by the premier of Quebec, who said that if his province is to obtain gas anywhere he is determined that it shall be from an Alberta source, because he believes it is the only sure source from which a guaranteed supply for the future can be drawn.

I want to commend also the Alberta resources board. I believe they are anxious to supply the Canadian market. They are anxious to supply the provinces of Ontario and Quebec, but before doing so they are investigating the supply of natural gas in their own province. That is a very wise decision. The Trans-Canada company already has a charter to build a pipe line across Canada which would supply both Ontario and Quebec. In connection with the Trans-Canada pipe line I should like to read a quotation from the *Globe and Mail* of January 22, 1952, which gives the attitude of Mr. Gemmell, who is the minister of mines of the province of Ontario. This article has been quoted before in this house. After mentioning why they wish Alberta gas the article goes on:

For these reasons, the Alberta petroleum resources board is giving long consideration to the Delhi application for permission to pipe gas to Ontario and Quebec. Some experts say Alberta has plenty of gas and to spare but the board is investigating. And when and if the Alberta board gives the pipe line the nod, its promoters must next get permission from the board of transport commissioners here to build the line. It is thought, however, that if the Alberta board agrees, the transport commissioners will not make any difficulties.

An alternative suggestion, Mr. Gemmell said, is that if Alberta would allow gas to be piped into the western United States, Ontario might draw an equal volume from the Texas wells. Gas is now being piped north from Texas to Detroit and thence into Windsor and western Ontario.

Mr. Gemmell declared the provincial government was wholly opposed to any deal of this kind. In the first place, he said, it was very doubtful that the United States authorities would agree to supply Ontario with a firm uninterrupted volume of gas.

That is the situation as far as these great provinces of Ontario and Quebec are concerned. It is not necessary for me to point out the great need of this natural resource in the large provinces of Ontario and Quebec.

Those who are in favour of this Boundary Pipeline bill state that they are to supply gas to Saskatchewan and Manitoba. Evidence and arguments have been produced to show that this line would not be feasible. The chief argument against it is its size. It would be only a 16-inch pipe line whereas Trans-Canada pipe line would be 30 inches. The

difference in capacity between a 16-inch pipe line and a 30-inch line is in the ratio of one to three and a half. It would be impossible for Boundary Pipeline to supply Ontario and Quebec, as well as Manitoba and other places, even if it were not the intention of the company— and we submit it is the intention— to pipe this gas into the United States. As I say, even if that were not the intention of the company, we contend that a line of this size would not supply Ontario and Quebec. Another line would have to be built, thus greatly increasing the cost of gas not only to the people this line proposes to supply but to the people purchasing gas in Ontario and Quebec.

As far as I am concerned, personally I hold no brief for any company; but I do believe that Trans-Canada has the right idea in that already they have provided themselves with large areas in Alberta capable of producing gas. Boundary Pipeline has no gas areas of its own. Trans-Canada has undertaken to build a pipe line in this country at a cost of about $350 million, and this would give a tremendous amount of work to the people of this country. It would also mean that in those great areas at the head of the lakes the pulp companies would have the opportunity to use this natural gas.

I was deeply impressed by the speech of the hon. member for Calgary West on May 2 of this year. I do not suppose there is anyone in the house who knows more than he does about this situation. He has made a thorough study of the production of gas in his own province, so when he speaks he speaks with authority. I am not going to read what he said, but hon. members will see that at page 1836 of *Hansard* he pointed out that Boundary Pipeline is condemned first of all on account of its limited size, to which I have already made reference.

He pointed out further that it opened up only a limited market. If there are the great quantities of gas in Alberta which we think there are, then it is not a limited market we want. We want opened up the great markets of Ontario and Quebec, and other parts of Canada. He also pointed out it would cost the consumers in Saskatchewan and Manitoba more because of the small size of the pipe. He added the irrefutable argument that the building of this small pipe line might delay for years the building of a larger one capable of serving Ontario and Quebec.

I have said that, as opposed to the Boundary pipe line, there is the Trans-Canada with three and a half times the capacity. Trans-Canada is a company which to a great extent has already made provision for the transportation of the gas, and has the financial backing to carry it through.

Another phase brought very much to the fore by the hon. member for Vancouver-Quadra not only in the consideration of this pipe line but also in that of others, is our Canada first policy. I can see nothing wrong with a Canada first policy. We in Canada have great natural resources. I do not suppose there is any country in the world with resources to equal ours, and there seems to be no reason why we should not try to conserve those resources for our own people. In the early days when Canada was a new country we did not have the financial institutions we have today. There was not available the great financial backing we now find in this country. At that time we did allow our natural resources to be exported to a much greater extent than they should have been. I believe that today there should be more manufacturing in this country of our own raw materials. If we conserve our resources and manufacture our raw materials we will build up our own industry and, better than that, we will build up our country.

Mr. Wood: Back to the thirties now.

Mr. Brooks: The hon. member makes what he thinks is a very smart remark, and then walks out of the house.

Mr. Gauthier (Portneuf): He is just interested in your speech.

Mr. Brooks: The thirties have nothing to do with it. When we talk about our natural resources we must go back to the time the country was settled. It is our duty as Canadian citizens to conserve those resources not only for ourselves but for future generations. Unless we do so we can never be the great country we were intended to be.

In the early days of the United States when they did not have the financial backing to build their own industry, the New England colonies and other states shipped their natural resources to England. The United States did not become a great country until she began to manufacture. The same is true of the southern United States. We have heard how in days gone by they exported their cotton to other parts of the world so that the southern United States remained the poor section of that country. But that condition did not continue when they began manufacturing their cotton.

In common with the hon. member for Vancouver-Quadra, I do not think any apology should be made in the house or anywhere else in Canada for advocating a Canada first policy so far as our natural resources are concerned.

Mr. Laing: How would the hon. member relate the theory he is now expounding to the

importation of bauxite, upon which our aluminum industry is one hundred per cent dependent?

Mr. Brooks: I am not saying Canada should not import bauxite or any other raw material from any other country. If another country wishes to export its raw material to Canada, that is perfectly all right so far as I am concerned. But the fact that some other country wishes to export its raw material is no logical reason for stating that we should do the same. I know the hon. member comes from British Columbia, and that out there they are developing a great aluminum industry. I congratulate the hon. member and his province upon having that great industry there. But, so far as I can see, that is no reason why we should export all our raw materials such as pulpwood, iron ore and other products out of this country in order that some other country might become prosperous.

I see that my time is practically up but, as I said a moment ago, I do not believe it is in the best interests of this country that this bill should pass and a franchise be granted to the Boundary Pipeline Corporation to build a pipe line from the Alberta oil fields to the province of Manitoba.

(Translation):

Mr. Courtemanche: Mr. Chairman, it is with pleasure that the province of Quebec, which is at present experiencing the most phenomenal industrial development in her history, if not in the whole history of Canada, finds that a sister province, the province of Alberta, is also going through a period of prosperity and progress.

In Alberta, oil and gas may be considered as the two main factors of this new and truly prodigious era. In the province of Quebec, the causes appear to be more diversified and more numerous. There is obviously the Ungava iron ore, but one must not forget our copper, zinc and lead mines, our gold, titanium and asbestos mines, our pulp and paper production, our almost inexhaustible hydroelectric resources. One must not forget either another very important factor, namely, a very active, progressive, judicious and far-sighted provincial administration.

Mr. Gauthier (Portneuf): Conservative.

Mr. Cote (Verdun-La Salle): Do not go too far!

Mr. Courtemanche: Obviously, talk such as this may not please some of my hon. friends opposite, but truth has rights and it is a pleasure for me to make that truth known!

[Mr. Laing.]

As far as the industrial development of Quebec as well as of Alberta is concerned, there is a fact which we should never forget; this development benefits the whole country. A more prosperous Quebec province means a more prosperous Canada and a richer province of Alberta means, also, a richer Canada.

Mr. Cote (Verdun-La Salle): Mr. Chairman, would the hon. member allow a question on this comparison between Alberta and Quebec. Does my hon. friend know that the recent development of natural resources in Alberta has benefited the people of that province to a much larger extent, through reductions in the capital debt and a consequent reduction in taxes?

Mr. Courtemanche: If my hon. friend wants to make a political issue out of it, I think there is another place where we might discuss this thing. I understand there is a provincial election on these days.

Mr. Cote (Verdun-La Salle): My hon. friend should not venture on such a ground, if he wishes to avoid disagreeable remarks.

Mr. Courtemanche: There is a time for everything. It is commonly known that we, from the province of Quebec, jealously defend our province's rights and intend to protect and keep them at any cost. However, this does not prevent us from understanding the economic interdependence of the various provinces, or from surmising that in ensuring a better future to the province of Quebec, we also ensure a brighter future not only to our immediate neighbours but to all those who belong to the Canadian confederation.

Besides, the whole of the Canadian press has shown some interest in the new Quebec developments. The newspapers have dispatched observers to Ungava, Gaspe, the Chibougamau area, Sept Iles, Havre St. Pierre and other places. Why have they done it? Because people are ready to admit that what benefits Quebec will benefit, directly or indirectly, the rest of the country.

I trust that the citizens of Alberta, like those of the province of Quebec, wish to contribute not only to the prosperity of their own province but to the welfare of Canada as a whole.

Now I believe that in granting the request contained in Bill No. 62 to incorporate the Boundary Pipeline Corporation, we would serve the interests of others before the interests of Canada. Why? Because the new company plans on laying a pipe line which would run from Alberta across Saskatchewan and Manitoba and then, instead of con-

tinuing eastward toward Ontario and Quebec, would go south into the United States.

Now, why would we supply American cities and states with natural gas before supplying our own cities and provinces? Is it not true that charity begins at home? Would it not be more logical for Alberta to sell her products in Canada first? Especially when many parts of the country are in need of natural gas!

Business is business, of course. However, if I can be successful and at the same time help my brothers why should I give preference to foreigners? A matter of patriotism and national unity is involved in this bill. National unity calls for mutual assistance, co-operation between the provinces whilst patriotism requires each one of us to favour first of all our fellow countrymen, our fellow citizens.

There are some people, businessmen, industrial leaders, who, as soon as they walk into their office, cast aside all concern for the welfare of the nation. They claim to be good Canadians and even, sometimes, great Canadians. But as soon as money enters into the picture they forget those high principles they so loudly proclaim at every opportunity.

I do not claim that the promoters of this company are that kind of Canadians. I consider, however, that they are making a mistake and the legislator is duty bound, under the circumstances, to call them to order and to prevent them from doing what would be detrimental to the public interest.

Would it mean that, by adopting such an attitude, we want to express a certain measure of animosity against the United States? Certainly not, and it would be ridiculous to think so. The good neighbour policy between Canada and the United States is something wonderful, something unique in this world, I would say. It should and will be preserved for all sorts of excellent reasons.

The Canadian humourist, Stephen Leacock, pointed out one day that we were wasting so much time explaining to the English that we were not Americans and to the Americans that we were not English, that there remained scarcely any time for us to be real Canadians.

I am convinced that now the Americans know and understand us much better, particularly since the last few years. If Mr. Leacock were still living, he would doubtlessly hasten to correct his assertion, which somehow has become less true now. Today the Americans and the British are informed about us and we have much more time to behave as true Canadians. And that is what the members of this house who have objected to Bill 62 have done.

Will the Americans resent it? Will they show any spite? Not at all. And everyone knows quite well they would be the first to do the same. We want to co-operate with them and no doubt they wish to offer us their fullest co-operation. Nevertheless, both sides, of course, will look first of all after their own interests. It is normal, it is fair, it is sensible.

Providence has been kind to us in allowing us to live in Canada, where the soil and underground are probably the richest in the world. It is true that at one time there were some who would not believe in the great resources of Canada.

Voltaire, as you well know, had no admiration for Canada and this is what he wrote in chapter twenty-three of his book *Candide*, published nearly two centuries ago:

"Who are all these people?"

Mr. Gauthier (Portneuf): Is Voltaire not on the Index?

Mr. Courtemanche: Perhaps, but the paragraph I will quote certainly is not. The hon. member will understand it perfectly.

. . . said *Candide* on the Dutch vessel. "Something quite silly and quite abominable," replied Martin. "You know England; are people there as silly as in France?" "It is another kind of folly," said Martin. "As you know, those two countries are at war over a few acres of snow in the direction of Canada and they are spending for this fine war much more than Canada is worth."

So it was England who inherited these few acres of snow. Nevertheless, in 1816, a large number of Britishers were quite ready to believe that Canada was a very poor conquest.

Was it not Mr. Alex Baring, later Lord Ashburton, who, in that year, wrote Mr. John Q. Adams, then American ambassador to London, the following words:

"I wish the British government would give you Canada at once. It is fit for nothing but to breed quarrels."

Fortunately, Baring's advice was not followed and Canada did not fall into American hands.

Indeed, little by little, it was realized that this country had tremendous possibilities. Even in 1842, Charles Dickens wrote the following in his "American Notes":

"It is full of hope and promise."

And the first years of the twentieth century, which, according to Sir Wilfrid Laurier, was to be Canada's century brought an era

of progress and change. For instance, it was in 1903, while the Temiskaming and Northern Ontario Railway was being built, that silver ore was discovered in the Cobalt district. The development of our mines was then to be ceaselessly carried out all through Canada, in the east, west, north and south.

That is how natural gas was discovered in Alberta. According to statistics for the year 1949, according to the Canada Year Book, 1951, page 520 of the English edition, Alberta produced approximately 85 per cent of Canada's natural gas. In 1949, total production in all provinces amounted to 60 billion cubic feet, of which 51 billion cubic feet were produced in Alberta. Ontario's production in 1949 was but 8 billion cubic feet.

It can therefore be said that Alberta is truly the producer of natural gas. It is undoubtedly a great honour, but an honour that entails heavy responsibilities. Needless to say, Alberta cannot use all that gas and must export some. I do not object to her exporting it first to the neighbouring provinces. But we believe that she should then think of the other provinces—although they may be a little farther—that could benefit from Alberta's natural gas transported by way of a pipe line.

People in the other provinces, and more particularly in Ontario and Quebec, cannot understand why it has been decided to build a pipe line which, instead of serving them, would branch off towards the United States. But why take the southern route, the route that leads abroad, when in the east are provinces which need this natural gas, demand it and stand ready to buy it?

Nothing is more natural than to insist that our natural resources be developed in Canada for the benefit of the people of Canada! Let Alberta first take advantage of her natural resources, but let her think afterwards of her sister provinces, before worrying about the needs abroad.

Have you ever considered the ridiculous situation in which Quebec and Ontario might find themselves should they have to import natural gas from the United States, while Alberta was exporting gas to our neighbours? For heaven's sake, let us act more consistently and, above all, show more patriotism.

If Canada had a surplus of gas available, it would be a different matter altogether. If, for instance, Quebec and Ontario could be supplied natural gas without going to Alberta, we would no doubt advise our friends in Calgary to sell some to the United States and we would then consider it our duty to help them to do so.

Exports are justified and can be profitable under two conditions. First, there must be a surplus available of the product that we want to export. But just the opposite is taking place. Supplies are insufficient. Secondly, the export of a product may be justified when supplies of it are sufficiently ample to satisfy local needs even though for financial reasons it has been decided to do without it in order to reap benefits from its sale. We have seen Great Britain for instance, and other European countries, selling us wares which had disappeared from their shops. The financial position of Great Britain was such that its citizens had to do without these products which were sent abroad in order to bring back precious dollars. That is not at all our case just now. Our financial situation does not require that we make such a sacrifice. What sacrifices there are must be made by the taxpayers of this country who deprive themselves in order to meet their tax payments.

Nothing then can justify the export of natural gas to the United States. On the contrary there is every necessity for Alberta satisfying as quickly as possible the requirements of the people of Canada.

Often in the past we have complained of having had to import the products we were badly in need of.

We have naturally complained that the exporter would set his own prices, if he were in a position to do so, because very often we could not get the kind of service we would have liked to receive. We are now in a position to obtain our natural gas at home, in Canada, but instead of supplying our own needs we are going to exhaust our resources by exporting that product to another country, namely the United States.

My hon. friend from Three Rivers gave evidence the other day to the effect that the government of the province of Quebec, as well as that of Ontario, wished to foster the building of a pipe line across Canada, and that neither of these provinces wished to import natural gas from Texas or elsewhere, while a Canadian province could easily supply that product. In that connection, the member for Three Rivers quoted a statement by the premier of the province of Quebec and

another by the minister of mines for Ontario. The statements of those two gentlemen cannot be taken lightly.

Mr. Gauthier (Portneuf): They need to be enlightened.

Mr. Courtemanche: You give me proof that we should keep our natural gas at home.

It would be unthinkable that the governments of Quebec and Ontario should now learn that Alberta, which they tried to encourage on grounds of patriotism and national unity, as I have stated a while ago, has now reversed her policy and decided to sell her products to people outside our own country.

Under such circumstances, there would be no cause to be surprised should the stand taken by Calgary be denounced both in Toronto and Quebec, and should Alberta feel that she were more or less being left aside.

Can our confederation stand such disunity? I do not think so. All parties interested should examine this problem calmly and from every angle and I am sure that they will then come to the same conclusion. The project may, at first sight, offer certain advantages, but they are negligible compared with the disadvantages that would ensue.

A country can only prosper in an atmosphere of harmony and mutual understanding. Such harmony and mutual understanding sometimes imply certain sacrifices on both sides—it is everyone's lot, now and then—but they are worth while.

We all want to see Canada keep on progressing, to see our natural resources add more and more to our national wealth and raise still further our standard of living. However, we might very well jeopardize this promising future if, instead of acting as a team, as shareholders in the same company, our sole concern is to please people abroad. Let us think first of ourselves and our own people; nobody can expect more.

I therefore believe, Mr. Speaker, that in the name of national unity, of national harmony, as well as in the name of our economic interests we must, without hesitation, reject this request which is made to us.

The Progressive Conservative party has always championed private enterprise and it still does to this day. It will nevertheless never allow private enterprise to work against the national interest. There is no better way of ensuring the future of this country. There is no better way either of ensuring the future of private enterprise in Canada.

(Text):

Mr. Nowlan: Mr. Chairman, the number of speakers who have taken part in this debate, ranging from the Atlantic to the Pacific, of all provinces, of all races and of all parties, suggests that this is a much more important subject than is usually found in bills which sometimes come before the house at this hour. I do not know that I would have intervened in this debate had it not been for what I considered a rather captious article in the *Financial Post* regarding the House of Commons and dealing with this matter. In that article the august journal said that the House of Commons was making a spectacle of itself. Of course it is the prerogative of those who sit outside in ivory towers to prejudge and so declare; but I think it was Bobbie Burns who said:

> O wad some power the giftie gie us
> To see oursels as ithers see us!

The *Financial Post* went on to say that the House of Commons was delaying most important business. That, of course, suggested some of the superiority complex which affects editorial writers when they presume to write about matters upon which they are not too well informed; because the editorial writer did not realize that this hour is provided for private members and, no matter how these private members' matters are discussed, they do not interfere with the business of Canada.

I would make no further comment but that it is nine o'clock.

Section stands.

Progress reported.

Mr. Speaker: The hour for private and public bills having expired, the house will resume consideration of the matter under discussion at four o'clock.

REDISTRIBUTION

READJUSTMENT OF REPRESENTATION IN THE HOUSE OF COMMONS

The house resumed consideration in committee of Bill No. 393, to readjust the representation in the House of Commons—Mr. Harris (Grey-Bruce)—Mr. Beaudoin in the chair.

On section 1—*Short title.*

Mr. Winters: Mr. Chairman, before the dinner recess we were dealing with the problem of redistribution in Nova Scotia and I was addressing myself particularly to the remarks made previously by the hon. member for Annapolis-Kings.

I think, Mr. Chairman, the most serious criticism he made was that a decision had been reached in the committee and later revoked. I believe the hon. member must be labouring under a misunderstanding. I say that and add quickly that I was not a member of the committee; but we Nova Scotian members are pretty friendly with each other. We have a great many conversations and naturally I was pretty familiar with what was going on both before and after most committee meetings. I was not aware that there had been any discussion along the lines of the proposal now being suggested by the hon. member for Annapolis-Kings as having been decided upon by the committee. I first learned of it in the newspapers whilst I was away from Ottawa on business elsewhere. Immediately upon my return I consulted the hon. member for Antigonish-Guysborough who represented Nova Scotia on the committee and the hon. member for Prince who was chairman of the maritimes subcommittee. Both told me that there must be some misunderstanding. They said the suggestion did come from the hon. member for Annapolis-Kings that there should be no change in his constituency boundaries, but that there had been no decision upon it.

I believe there are certain circumstances under which it is fair to make deductions; and I think this is one instance in which it is safe to deduce, even though I was not a member of the committee, that it was most unlikely that the decision to which the hon. member for Annapolis-Kings referred could have been made. At any rate I am sure of one thing, namely that it never was in the mind of the hon. member for Antigonish-Guysborough or the hon. member for Prince that that decision should be made.

Mr. Nowlan: Pure nonsense.

Mr. Winters: I should now like to refer more specifically to the problem of the representation from Nova Scotia. The constituency arrangement now being proposed was first brought into effect by the redistribution in 1933. At that time there were a great many suggestions as to how the redistribution should be carried out, just as there are now. It is interesting again to refer to the pages of *Hansard*. I would draw the attention of hon. members to the debates of the House of Commons on May 26, 1933, and in particular to page 5496. The speech of Mr. R. K. Smith, who was then the chairman of the subcommittee for Nova Scotia and who was the member for Cumberland reads in part as follows. Hon. members of course know that Mr. R. K. Smith was a Conservative member.

> The next proposal was put forward by the hon. member for Hants-Kings, namely, that the county of Pictou be practically split in two, and one-half of the population and area thrown into Antigonish-Guysborough, which would bring the county of Antigonish-Guysborough up to approximately 45,000, the other half in Colchester, making the second constituency out of the existing three. That again would mean the complete obliteration—yes, the complete elimination of Pictou county, that fine old Scottish county with their high pride of ancestry and tradition. The population according to the last census, is over 39,000, and the proposal would have meant throwing these people of Pictou into other constituencies with whom they have nothing in common; and whose interests were as far removed as the poles. I did not think it was fair; I did not think it would be just to divide Pictou county throwing one half into the county of Antigonish-Guysborough and the other half into Colchester.

Mr. Chairman, that was a reasonable approach to the problem. That proposal would have carried with it the further rearrangement which would have resulted in reducing to two the present three Tory constituencies in Nova Scotia. That matter, of course, was considered; but it was decided that it might not be clear to the people of Nova Scotia generally that that was the right thing to do. With the warm support of Mr. R. K. Smith, the then prime minister, Mr. Bennett, and the then minister of finance, Hon. E. N. Rhodes, the redistribution was decided upon which was exactly the same as the arrangement being proposed now.

Hon. members may say the fact that that was done by a Tory government does not necessarily mean it is correct; and I would imagine there would be a fair amount of agreement with that statement. But the fact remains it does indicate that this arrangement was given mature consideration by the party in power at that time, just as it has been given mature consideration by the party in office at this time. The constituency of Digby-Annapolis-Kings created at that time was represented from the election of 1935 until 1948 by that eminent Nova Scotian, Right Hon. J. L. Ilsley, and represented with distinction. From December 1948 to the general election of June, 1949, that self-same constituency of Digby-Annapolis-Kings, the very one being proposed now, was represented by the present member for Annapolis-Kings.

Mr. Fulton: And will be again.

Mr. Winters: Then we come to the 1947 redistribution. While the arrangement arrived at then may not have been the best one possible under all circumstances, I think it met with the general approval of the people of Nova Scotia. I myself was most reluctant to

sever my close and warm connections with the people of Queens county. I was not anxious to have the county of Lunenburg stand alone as a constituency, but that was the arrangement. I may say, Mr. Chairman, that we Nova Scotians often say it is an ill wind that blows no man good. In this instance this redistribution had the result of bringing into public life Dr. Donald Smith, who represents the newly-created constituency of Queens-Shelburne in a manner that does credit both to his constituents and to himself.

Mr. Chairman, we are now faced with another redistribution. I think hon. members of this committee know that the people of Nova Scotia set great store by institutions and arrangements that have been tried and tested by tradition. They also have a fine and well developed sense of justice. Anybody who reads the speeches of Joseph Howe will know exactly what I mean. The proposed arrangement contains both these ingredients of tradition and justice. I have heard no complaint about the arrangement that was put into effect by the redistribution of 1933 or that which was decided upon in the redistribution of 1947 and which has been effective since that election of 1949.

There is of course the disparity in population between Annapolis-Kings on the one hand and Lunenburg on the other. That fact was referred to by Conservative speakers in 1933 just as it is being referred to now. I say again that I personally did not request that Lunenburg as a county and in itself be a constituency, but that was the decision. In the constituency of Annapolis-Kings a considerable part of the increase in population can be attributed to service installations there. I do not need to dwell upon the conditions and elements that apply under those circumstances. This redistribution we are proposing now will tend to reduce the disparity in population rather than to accentuate it, as some hon. members have tried to lead the committee to believe. Perhaps it might be interesting to hon. members if I dealt briefly with the recent history of representation in Nova Scotia and some of the reasons for the committee's decision.

The county of Digby was first split in the redistribution of 1914. The division of this county goes back that far. This redistribution became effective in the election of 1917, when our representation was reduced from 18 to 16 seats. At that time Digby municipality became associated with Annapolis county to form the constituency of Digby-Annapolis. Clare was joined to Yarmouth county to form the new federal constituency of Yarmouth-Clare. This, of course, was done under a Conservative government. Following the 1925 redistribution, the representation was reduced from 16 to 14 seats. In the election of the same year Queens county was joined with Lunenburg county for the first time to form the federal constituency of Queens-Lunenburg. The other constituencies in western Nova Scotia at that time became Digby-Annapolis and Shelburne-Yarmouth.

The redistribution of 1933 became effective with the election of 1935, when representation was reduced again from 14 to 12 seats. Queens remained with Lunenburg county and continued to form the constituency of Queens-Lunenburg. Digby county was again split into two municipalities with Clare being part of the new constituency of Shelburne-Yarmouth-Clare and Digby forming part of the newly-created constituency of Digby-Annapolis-Kings. This too was done under a Conservative government. The redistribution of 1947 increased the representation from 12 to 13 seats. With the next election in 1949, Lunenburg became a constituency by itself for the first time since prior to the election of 1925. All Digby county became associated with Yarmouth to form the constituency of Digby-Yarmouth; the two counties of Annapolis and Kings were associated to form the constituency of Annapolis-Kings for the first time.

The two municipalities of Digby have been in different constituencies for 20 of the last 38 years, and Digby county in whole or in part has been associated with Annapolis county for 33 of the past 38 years.

Queens has been associated with Lunenburg county to form the constituency of Queens-Lunenburg for 24 of the past 27 years.

In recommending the constituency arrangement in this redistribution, the committee is following precedents which are firmly established and have been found to be workable and congenial.

When the new arrangement is analysed from the point of view of population, and on the basis of 1951 statistics, it is found that the reconstituted constituency of Shelburne-Yarmouth-Clare has a population of 45,595, compared to the present population of 42,783 for Digby-Yarmouth. This is an increase of 2,812, or 7 per cent. Digby-Annapolis-Kings will have a population of 66,510 against the present population of 54,930 for Annapolis-Kings. This is an increase of 11,580 or 20 per cent. Queens-Lunenburg will have a population of 45,800 as against 33,256 for the present constituency of Lunenburg. This is an increase of 12,544 or 36 per cent. It will be seen that on both a numerical and a percentage basis the increase in the constituency of

Queens-Lunenburg is greater than that obtaining in Digby-Annapolis-Kings.

As regards areas, to which the hon. member for Annapolis-Kings attached a considerable amount of weight, Shelburne-Yarmouth-Clare has an area of 2,212 square miles, as compared with 1,840 square miles for Yarmouth-Digby. This is an increase of 372 square miles, or approximately 20 per cent. Digby-Annapolis-Kings will have an area of 2,785 square miles as compared with 2,150 square miles for Annapolis-Kings. This is an increase of 635 square miles or 29·5 per cent. Queens-Lunenburg will have an area of 2,173 square miles, as compared with the area of the present constituency of Lunenburg of 1,190 square miles. This is an increase of 983 square miles, or 83 per cent. It will be seen that the greatest increase in area takes place in the reconstituted constituency of Queens-Lunenburg.

On the basis of votes, lest it be said that the Liberals were favouring themselves there, the majority for the Liberal candidate in the municipality of Digby in 1949 was 284; in Queens county the majority for the Progressive Conservative candidate in the same election was 309. On the basis of these figures it certainly cannot be argued that the present member for Annapolis-Kings is being put at any disadvantage as compared with the present member for Lunenburg.

The present member for Annapolis-Kings, as I said before, represented the former constituency which is now being reconstituted, that is, Digby-Annapolis-Kings, from the date of his election in the by-election December 1948 to the time of the general election in June, 1949. The area was then the same as it is now, and the population was about the same.

It has been suggested that Shelburne county should have been added to Queens-Lunenburg. Mr. Chairman, Shelburne traditionally returns a Liberal majority, and the Liberal members on the committee—and I agree—thought it would be misunderstood if a Liberal increment of votes was added to the constituency represented by the present minister from Nova Scotia. It would certainly have opened us to the more serious charge that we were attempting to make a safe seat of Shelburne-Queens-Lunenburg, and it was decided not to follow such a course.

It has been said in Nova Scotia in various circles that the constituency of Antigonish-Guysborough, which has the smallest population in Nova Scotia, 21,216, should have been re-arranged in some way so as to even up the population by constituencies. That was implied in the proposal made by Mr. Ilsley in 1933, but part of that proposal too would have meant that one of the Tory constituencies would have disappeared instead of one of the Liberal constituencies, as was actually decided upon.

The problem of splitting Antigonish-Guysborough presents some very real difficulties which, on the face of it, seem almost insurmountable. It would be possible and reasonable to add Antigonish to Pictou to form the constituency of Antigonish-Pictou, with an area of 1,709 square miles and a population of 55,973. This would pose the problem of what to do with Guysborough county, and would almost necessitate it being added to Halifax county to form the constituency of Guysborough-Halifax. This, however, would constitute an area of 3,711 square miles with a population of 174,462. We have heard the criticism that the area of Digby-Annapolis-Kings is too large. It is a large constituency, the area being 2,785 square miles. But the constituency of Guysborough-Halifax, if that suggestion were accepted, would have by comparison 3,711 square miles. It might be said by way of argument that Halifax is represented by two members so that population should be divided by two for purposes of considering problems of representation. But hon. members will realize that Halifax is a dual constituency, and each member on his own is required to cover the whole constituency and deal with all the constituency problems wherever they may arise.

The only other reasonable alternative would be to form a constituency of Antigonish-Guysborough-Pictou, which would be virtually an empire on the eastern end of the mainland of Nova Scotia, with an area of 3,320 square miles and 70,218 people. In my opinion, Mr. Chairman, this would be out of the question. It might be said that Antigonish-Guysborough could be combined with one of the constituencies on Cape Breton island. The most logical one would be Inverness-Richmond, which already has an area of 2,100 square miles, and 32,500 people. If Antigonish-Guysborough were to be included, the total area would be 4,280 square miles and the population would be 58,716. From the point of view of population this might be acceptable, but its area would be so vast that it would be very difficult for any one member to service it. In the circumstances I think the committee made the right decision in reverting to the constituency arrangement arrived at in the first instance in 1933 and tried and tested between 1935 and the election of 1949.

Reverting again to this old expression we hear that people are hurt by redistributions, I would say again that the only people in this redistribution likely to be injured in Nova Scotia are the people of Queens-Shelburne in the first instance, who will be deprived of the services of Dr. Donald Smith, and in the second instance Dr. Donald Smith himself, who will likely be deprived of the honour of representing the people of Shelburne and Queens counties in the parliament of Canada.

Mr. Knowles: He could go to Queens-Lunenburg.

Mr. Winters: I said Queens and Shelburne. As hon. members know, Dr. Smith earlier this year underwent a very serious operation and is still incapacitated because of it. I am sure hon. members will realize how difficult it was for the committee to come to a decision to eliminate his constituency, a Liberal constituency, during his enforced absence. Hon. members will be pleased to know that Dr. Smith is improving. He has already given outstanding public service and, God willing, he will continue to find ways to further the interests of the people of Queens county in other fields.

Mr. Wright: Mr. Chairman, may I say with the hon. member for Lunenburg that we hope for Dr. Smith a speedy recovery and a return to public service. It is not my purpose in rising to get into a debate with regard to redistribution either past or present in Nova Scotia. But I do think that, as a neutral member of the Nova Scotia committee, I should give the committee what was my understanding as to what took place at the first meeting of that subcommittee.

The first thing that was agreed upon was that Queens-Shelburne should be the seat that would be eliminated in Nova Scotia. The second agreement that was reached at that meeting, as I understood it, was that Annapolis-Kings should remain as it was, and that the other Liberal members of the committee would be left free to decide what would happen to Digby county. It was explained that the minister was in Nova Scotia at the time, and would not be available for a day or two. The members of the committee asked that the matter be left open, with no decision being taken at that meeting as to what should be done with Digby county.

I may say I was rather surprised when I returned to Ottawa after having been in the west to find that Digby municipality out of Digby county had been returned to Annapolis-Kings. My memory is clear on the matter because, after we left the committee meeting which was held in the room of the hon. member for Prince, I spoke to the present member for Annapolis-Kings and remarked to him that his seat was being left as it was at that time. He appeared to be quite pleased. That was the way the matter stood, so far as I was concerned. That is what I understood, at least, as to what the agreement was at that first meeting.

I think the amendment offered by the hon. member for Annapolis-Kings in the main committee, in which he suggested that Digby-Yarmouth plus Barrington municipality should be one seat, and that Lunenburg, Queens and the Shelburne municipality should be another seat, was a reasonable suggestion. Certainly it left the populations in those constituencies reasonably equal. Annapolis-Kings had 54,930; Digby-Yarmouth-Barrington had 49,356, and Queens-Lunenburg-Shelburne had 53,619. That seemed a reasonable division of population. The only objection offered was that which I mentioned before, namely the argument with regard to shore line. It was argued that Digby-Yarmouth-Barrington had a much greater shore line than Annapolis-Kings, and because the members from that area considered it was more difficult to represent fishermen than farmers they decided to make the division in another way.

I do not know whether it is more difficult to represent fishermen than farmers, because I have always represented farmers in the House of Commons. I know that as a group they are fairly easy to represent. Usually they work out their own difficulties. I am inclined to think that fishermen are probably the same, and that taken as a class they are not any more difficult to represent in the house than any other group of individuals in Canada. Certainly on the basis of population I think the amendment offered to the main committee was reasonable. Certainly my understanding of what took place at the first committee meeting is as I have stated it, namely that Queens-Shelburne was to be the county in Nova Scotia which was to be taken out, that Annapolis-Kings was to remain as it was, and that it was left to the Liberal members of the committee to decide, in consultation with the hon. member for Lunenburg, what they considered would be a fair division with regard to the other three counties.

Mr. Graydon: Mr. Chairman, I shall not delay the proceedings of the committee very long this evening, but I do wish to make some comments and what I hope will be some constructive suggestions with respect to the matter causing so much anxiety in the committee, and dealing with representation of the various constituencies in Canada.

Redistribution

I was not a member of the redistribution committee, nor did I follow very closely its deliberations from day to day. I am not in a position where my own constituency is affected by redistribution changes. What I am attempting to do this evening, if I may, is to assess, on the basis of what I have learned from the discussions to date, what the situation actually is, and then try to apply what little common sense I may have at my command—

Mr. Knowles: Don't be so modest.

Mr. Graydon: —in an attempt to make some constructive suggestions as to what might be done.

Speaking neither as a cartographer nor as an expert in the matter of redistribution, but only as a layman, it seems to me that the system under which we are now operating is an open invitation to injustice. I have been greatly impressed by the arguments used by hon. members on this side of the house in favour of some different system of redistributing the representation through our various constituencies in Canada. Try as it may, a parliament without a plan, without a principle and without a program, no matter how conscientious members on all sides may be, is travelling on a road bristling with all kinds of dangers to our democratic system.

Having in mind the difficulties that must face those who serve on redistribution committees, let me say that I would not be an applicant for a position on any future redistribution committee. In addition to that it seems to me that we must begin early to review the situation, and perhaps as good a time as any to start would be now, when we have reached an impasse in this committee of the whole house.

I am not one who believes we ought to take out of the hands of parliament the whole question of redistribution, in its final analysis, or so far as any final decision would be concerned; but I do think there is a stage which was well and properly described by the leader of the opposition in another debate where we ought to set up a commission to deal with this vexed problem. I feel that a commission with a proper reference would, first, set up a plan, set out principles and be a guide for the ordinary member of the House of Commons to follow. I have been listening to this debate most intently and I have not been able to find anything in the nature of a general over-all plan set out. I am quite sure that members of the committee were unable to find any plan that would be applicable right across Canada in working out the problems with which they were engaged. Even though we have gone through all the years redistributing in the wrong way, that is no reason why we should continue redistributing in the wrong way during the years that lie ahead.

I am satisfied in my own mind that there has to be some pattern which will be applicable right across the dominion. It may be that there will have to be some alterations here, some changes there, some differences in the pattern to meet varying conditions that may arise, but it does not seem right to me that we should be working on a patchwork quilt basis or something which resembles a jigsaw puzzle. When you look at the redistribution map you can think of nothing else. That does not seem to me good enough for an enlightened parliament such as we think this is.

I should like to suggest that this commission be set up at an early date. I think there are enough people in this parliament who are disgusted at the way in which redistribution has been carried on, not just in this parliament but in the parliaments that have gone ahead, to buttress any argument put forward that there should be some type of commission to at least lay down general principles and set up plans and patterns so members of parliament may be able to work in some concerted and unified way in an effort to arrive at proper representation in this house.

In addition, it seems to me there is a need for consultation with other bodies, legislative and otherwise, in order to get their views and opinions. I know it is not possible to work these things out on a completely scientific basis because to do that would mean that the whole nature of parliamentary representation would be lost. We should not intrude the scientific too far into our deliberations, but it should come in a certain distance. Somewhere between the pole where everything is done in a hit and miss way and the pole where everything is done in a scientific way it should be possible to arrive at a reasonably accurate and reasonably satisfactory method that would apply to all seats in the house.

It is not satisfactory to have ridings so split and divided and cut up that the federal riding is not anything like the same pattern as the provincial riding, and the municipal pattern is also different. The result is all kinds of confusion from time to time as between the municipal, provincial and federal set-ups. That causes great concern and difficulty, not only for the members of this parliament but for the members of the provincial and municipal legislative bodies. I am the first to admit that this could not

possibly be worked out on a complete pattern right across Canada, but I think there is need to consider at least the possibility of trying to make these things work into a better pattern than the one which can hardly be described as a pattern at all at the present time.

These things will have to be done by trial and error. You cannot expect to work everything out overnight and have it accepted by everybody. In the House of Commons we do not attempt to set up our rules from day to day; we have a certain set of rules that we follow. If we did not have such rules there would be chaos and confusion in our work. I think there is a great need for rules, for some kind of pattern or plan by which we could work out an intelligent system of redistribution in the days that lie ahead.

After all the future is our responsibility, just as the present is. Someone must make the first move; someone must make a beginning. I am much concerned over the fact that we seem to have reached an impasse during the last few days in the House of Commons.

An hon. Member: Take your responsibility.

Mr. Graydon: I am going to take any responsibility that is mine. I have always shouldered it in the house; I have not attempted to throw it on anybody else, and I am not going to do that now.

I should like to deal with this objectively and I hope my hon. friend is not attempting to have me do it otherwise. There are some points with respect to the present redistribution that deserve comment. I must confess that there are quite a number of members in this house who perhaps are not saying so but who are passing through rather anxious days while this redistribution is going on. I do not mind saying that one of the reasons I am taking part in this debate is to give support and assistance to some of those members who are passing through days of anxiety and concern.

It is all very well for us to read in *Hansard* or in newspaper reports about changes in constituencies, changes which mean eliminations in some cases, enlargements in others, creation of new seats in others. All these create concern and anxiety for many members of the House of Commons. It is a serious matter to a great many, and our sympathies ought to be with those who are faced with these difficulties at this time.

I want to refer, if I may, to the Annapolis-Kings seat. It seems strange to me that the constituency in Nova Scotia represented by the president of the Progressive Conservative Association should be singled out as a seat to be enlarged to such a great extent as has been indicated by the minister and as appears on the records of this house. The minister has argued at length about this, but I must confess that his argument must leave a great many members unconvinced when there are 12,000 people added to that constituency. That is the kind of thing the government and the redistribution committee should have been careful to avoid. There are those who cannot help being suspicious when the president of the Progressive Conservative Association is singled out in that way.

Mr. Winters: Do you view with suspicion the dropping of a Liberal seat in Nova Scotia?

Mr. Graydon: I am not going into that point because it is not my purpose to get into an argument with anybody tonight. All I want to do is point out that I believe in that case the redistribution committee might very properly have given a better deal to the present member for Annapolis-Kings. I am not going to argue on the floor of the house with respect to other ridings because I was not on the redistribution committee and I have no desire to mix in that kind of struggle at the moment.

An hon. Member: Oh, oh.

Mr. Graydon: You have a lot to say over there, but you may not have so much to say after the next federal election. I am not going to deal with every seat because that would not be quite proper, but I want to refer to the constituency of Frontenac-Addington which is represented by one of the most prominent livestock men in Canada. He is a man who is highly regarded everywhere, and his constituency has been pretty well wiped out. I think the redistribution committee should have tried to avoid that kind of thing as far as possible, having in mind the general structure of the constituencies in that area.

I also want to say a word with respect to Haldimand. I listened last night with a good deal of interest and concern, as I think everyone did, to the plea made by the hon. member for Haldimand. I thought he carried great conviction and sincerity in what he said. I hope that somehow it will not be necessary to carry into effect the proposal that appears to be on tap at the moment and which he referred to last night so eloquently and with such conviction. The member for Huron North also represents a rural constituency. He has been here since 1940 and

has served his constituency and parliament well, but he now finds himself in difficulty with respect to his riding.

Mr. McIlraith: He is not in difficulty.

Mr. Graydon: Then we go a little farther west into Manitoba.

Mr. Harris (Grey-Bruce): Are you not going to shed a tear over Glengarry?

Mr. Graydon: If I were the Minister of Agriculture I would say I was just coming to that, but I am not. In Manitoba the riding of Souris has been represented by a man who has served Canada well in peace and war. He now finds himself in difficulty. He is one of the leading men in our party. I raise my voice in complaint with regard to the situation in which he finds himself. I do so on a purely personal basis, because frankly I do not want to see him in a position of difficulty after the long and faithful service he has given to the House of Commons. The situation in Calgary has been described by some hon. members during the course of today's debate. I shall not go into it because my knowledge of the geography of Calgary is somewhat limited. I know it is one of the finest places in Canada to visit. I want to come now to the constituency of Lake Centre. I do so because I feel that one of the finest and most outstanding of all parliamentarians in the last quarter century has represented that constituency well and favourably in the House of Commons.

Mr. McIlraith: Why did you not make him your leader if he was so outstanding?

Mr. Graydon: In plain and simple terms, I do not think he should be pushed around. The only other redistribution of which I have any knowledge occurred in 1947, and at that time there was also difficulty over his riding. There is difficulty now, and I think he deserves better treatment than to be given a seat that looks like a combination between a jigsaw puzzle and a patchwork quilt. I am looking into the faces of many experts on redistribution, but I am not an expert on the matter. However, I have looked at the situation carefully and I think it is going a little too far to create a new riding for the hon. member for Lake Centre to contest which contains two cities and a large portion of rural territory.

Of course it may be said that the city of Regina is not included, but as far as I can make out from looking at the map the new constituency takes in a rather substantial area right in the city of Regina. It also includes the city of Moose Jaw, forty miles from Regina, with most of the suburban territory around Regina, and in addition there are 180 miles of shore line in the middle of the constituency which makes matters worse. It may be quite all right for the Minister of Agriculture to say today that of course the Liberals have no chance in that riding, the implication being that the hon. member for Lake Centre has an easy task ahead of him. I have some knowledge of the task that faced him in the last federal election, and I know that nobody in Canada worked harder than he did to try to overcome the difficulties and obstacles placed in his way by virtue of the last redistribution. It was an onerous task, and one that kept him in the constituency almost full time. I hope that behind the move now being made there is no motive to try to keep him continuously in that constituency during another federal election, because he is a valuable man not only to our party but also to Canada. I do not think any move should be made to keep him full-time in the constituency so he will not be able to move around and do his part in other sections of the dominion.

I must confess that in that respect he is a lot different from me. It does not make much difference whether I happen to be at home or elsewhere in an election campaign, except it sometimes helps my opponents. I want in lighter vein to make a confession to the house. During the last federal election campaign I made 34 speeches starting at Shelburne, Nova Scotia, and ending at Vernon, British Columbia. Before the election we had 66 members, and by the time I had finished we were down to 39. What would have happened if I had made any more speeches I leave to conjecture.

Mr. Winters: You are invited to come to Nova Scotia.

Mr. Graydon: There are a lot of government supporters in the house who in their own hearts really must be thanking me for some of the success they had instead of giving all the credit to themselves. As a matter of fact I might say to the Minister of Citizenship and Immigration that in 1940 I went to Flesherton and made a speech there, and he was immediately elected. He has been trying to get me to come back ever since but I have refused, and that will hold true when the next federal election takes place.

Seriously speaking, so far as redistribution is concerned it seems to me that we should not have to come to such an impasse as we are facing at the present time. Frankly I do not like to see it. I have felt great concern over the debate of the last couple of days in the house. It has not been simply a debate staged for the purpose of delaying

parliament's closing. There has been far more at the bottom of this debate than perhaps many people realize.

An hon. Member: We hope so.

Mr. Graydon: It largely stems from the fact that we have a rotten system of redistribution; and when you have a rotten system it is pretty hard to have anything but rotten results, no matter how conscientious may be the men connected with its operation.

So I am going to ask one favour in connection with this whole matter, if I may. It seems to me this thing may run on for some considerable time. The longer it runs the less good will there is in the house, and perhaps the further we are away from any really concrete conclusion. More than that, it seems to me that if we are going to start afresh and have a different system in years to come there are a number of these outstanding trouble spots, which have been revealed in the debate, that demand some attention from a higher level. Therefore I am going to suggest to the Prime Minister that before we continue with the debate tomorrow morning he and the Minister of Citizenship and Immigration sit down and review the debate that has taken place up to now to see if between them they cannot come to the house and make some concrete suggestions that will wipe out most of the difficulties that have been brought forward in this debate, in an effort to see if we cannot have some greater measure of equality and equity with respect to matters which have been bothering so many of the members at this time.

I make that proposal in perfectly good faith because frankly, Mr. Chairman, I am not enjoying this spectacle. Nobody in the house is enjoying it. There are some things that could be done to wipe out the difficulties overnight, and I would suggest to the Prime Minister and the Minister of Citizenship and Immigration that they at least make a try and see if we cannot reach agreement and bring this session to a close.

The Deputy Chairman: Shall clause 1 carry?

Some hon. Members: No.

Mr. Drew: Mr. Chairman, one of the purposes of a debate of this kind on the first clause in a bill is to place before the members of the house the opinions of other members in the hope that there may be some reconsideration of the course that was originally proposed. The arguments that have been put forward in support of a reconsideration of the proposed redistribution as contained in the schedule of this act have been advanced with an earnestness that could not have failed to impress members on the other side of the house with the sincerity of the arguments, whether they agree with them or not.

I do not think any hon. member of this house who extended the courtesy due to other members and sat in this house during the arguments of the hon. member for Lake Centre, the hon. member for Haldimand, the hon. member for Huron North, the hon. member for Souris, the hon. member for Annapolis-Kings and other members of this house, could possibly have been unimpressed with the sincerity and the earnestness behind the plea that what is being done here should be examined, not in the light of its effect on any individual member of this house so much as from the point of view of the effect it would have on the people of Canada who have the real right to expect impartiality, justice and common sense in the redistribution of the seats where their members will be chosen.

We listened this afternoon to the right hon. Minister of Agriculture give an extremely interesting political history of his own province of Saskatchewan. Much of it was new to members who are not resident in that province; much of it was probably new to the residents of that province as well, but little of it had to do with the problem before us and none of it had anything to do with the direct problem of explaining to this house why there has been such a cynical and outrageous gerrymandering of Lake Centre as well as other seats in that province.

I am speaking of Lake Centre particularly because of my interest in the hon. member who represents that riding; but even if it were not the member who sits here today, who has put forward his own case in such clear and cogent terms, nevertheless the fact would remain that there can be no explanation of the butchery—to use a term that has already been applied—that was performed in seeking to arrive at a new constituency which retains the name but little relationship to the historic background of that constituency.

I need not repeat the arguments that have been put forward by the leader of the C.C.F. party, the hon. member for Rosetown-Biggar. His argument has not been answered. None of these explanations we have had offer any satisfactory argument whatever. Not one of them in any way seeks to explain the failure to approach this vitally important question in the way we would expect any problem of this kind to be tackled. There was no attempt to agree upon some basic principle which would apply. There was no attempt to consult the members of the committee and agree upon a method of drafting the boundaries of the changed constituencies.

The members of the committees who were not supporters of the Liberal party in this house were only accorded the courtesy of being let in on the secret after the decision had been made as to what was going to be done. It is perfectly true that on certain occasions, as a result of discussions in those committees, for one reason or another certain changes came forward; but those changes in turn were presented to the committees as decisions which had already been made.

Mr. Chairman, rather warm exception was taken yesterday by one hon. member when the word "directed" was used. It was regarded as an offensive term. Well, any doubt about "direction" was removed by the right hon. Minister of Agriculture this afternoon. At least we are indebted to him for a perfectly clear and unequivocable statement as to the direction that was given to the members of those committees. Let me give you the exact words of the minister.

An hon. Member: They surely were.

Mr. Drew: As one of the Liberal members has said, they surely were. There is no doubt about it. The Minister of Agriculture has left no doubt about it. These were the words of the Minister of Agriculture spoken here in this chamber this afternoon and in reference to the suggestion that there had been a caucus of the Liberal members of the committee—and referring to a caucus not merely of members of the committee but of Liberal members from Saskatchewan. These were the words of the Minister of Agriculture:

> If anyone wants to know what the opinion of the Saskatchewan caucus was on that question, that was their opinion. The committee of three appointed by that caucus was definitely instructed that there had to be a seat of Rosetown-Biggar when the map was drawn no matter how it was drawn, and that it had to remain there because of the special consideration we had been given.

Those were the words of the Minister of Agriculture. Because the name of Rosetown-Biggar remained and because there had been the retention of that seat, the Minister of Agriculture was claiming some credit for that result. As he put it, he does not know whether their generosity was really appreciated. He is a little bit hurt that the hon. member for Lake Centre and the hon. member for Rosetown-Biggar have not expressed their deep gratitude that the names of their constituencies remain. But never mind whether the names remain or not. Just let us examine these words and they are not words coined by any hon. member on this side of the house but are the words of the Minister of Agriculture:

> The committee of three appointed by that caucus—

That is the Liberal caucus from Saskatchewan.

> —was definitely instructed that there had to be a seat . . .

And later on there had to be. In other words, again to use words that have already been used, this was no impartial approach. The matter had been prejudged. The committee was merely a kangaroo court. The decision had been made. The committee met for the purpose of hearing the judgment that had already been passed elsewhere. There is no other interpretation of the clear and unmistakable words of the Minister of Agriculture this afternoon.

That being the case, let us recall the speech made in this chamber last night by the hon. member for Haldimand. I do not think there was an hon. member of this committee who was not impressed by the sincerity of that speech and, above all, by its appeal to those instincts that should guide every member here who is conscious of the fact that we are merely servants of the people whom we represent. Surely hon. members who heard that speech will not forget his description of the attitude of someone who has not yet become a member of the house, and his reference to the expectation that a member coming into the House of Commons will find standards of justice, of decency and of fair play consistent with the dignity and responsibilities of the House of Commons and the parliament of Canada. He pointed to the disappointment that must be felt by anyone who expects an approach of that kind to our problems in seeing the way this particular task has been undertaken. In saying what he said, he was perhaps unconsciously but with deep sincerity putting into his own words the sentiments of the people of Canada.

We have sought to make it clear that we are not suggesting for one moment that, on the basis of past records, one party or another can come into the House of Commons and claim any special virtue as to the merits of the system that has been employed in the past. No pretence has been made that we should seek to justify the course that has been followed on other occasions. We had hoped—and we had reason to do so—that at long last, with the progress that has taken place in other fields and in other parliaments which follow the same general traditions that are followed by us, we might now have come to the point when the cynical approach of gerrymandering, log-rolling and cheap political expediency would give way to an impartial approach to this subject.

The thing that was difficult to understand was the argument that was made from time

to time yesterday and again today that this system is perfectly all right. We had not heard that argument for some time; we had, in fact, heard the contrary argument from Liberal members of the house, both in the house and out of it. That argument was made, of course, at a time when the problem of redistribution was not before us.

This is not a new subject of discussion. As has been said before, no one here claims any originality in putting forward the argument for a better, a more impartial method of redistributing the seats so that the people of Canada, not the members of this parliament, will have the best and most satisfactory form of representation. In approaching that question of course we must not disregard the personal factors involved here in the House of Commons, particularly when an unsatisfactory method is being employed to make it difficult for some of those members to return. I do not know how long before that this subject was raised, but it was raised with great earnestness in the house as long ago as 1892; that is 60 years ago. On that occasion a man who later became chief justice of the Supreme Court of Canada—I refer to Louis H. Davies—speaking in the Canadian House of Commons, expressed the opinion that parliament should "agree on fair and just principles on which to frame a bill". Then outlining his own opinion as to how such a bill should be framed, he said the redistribution should—

> . . . have an authority outside the house to apply these principles to the country at large.

Mr. McLure: He represented Queens county.

Mr. Drew: It is pointed out to me that it was natural that he should have expressed such wise and sound opinions because he represented Queens county. They were wise and sound opinions. Unfortunately opinions of that kind have been expressed over and over again but have not been acted upon. Yes, I admit without any hesitation that members of the Conservative party have expressed those opinions and have failed to carry them out on earlier occasions. This is not something any of us should approach in the spirit of the kind of political badgering that was adopted by the Minister of Agriculture this afternoon. The question simply is whether the high hopes expressed by the Prime Minister when this subject was first under discussion were a real expression of the desire of this government, or whether that was simply a statement that was made as window dressing, with every indication of going ahead with the exact course that has been followed. In any event we have the words of the Minister of Agriculture that leave no doubt that there was direction in regard to the cynical gerrymandering of Lake Centre, with the effect of greatly prejudicing the position of one of the outstanding members of this parliament and one of the outstanding men in public life today.

Not one word has been said on the other side of the house which in any way lessens the strength of that comment which has been made, and made with every justification, more than once already. What doubt can there be, after listening to the Minister of Resources and Development, that there was direction in the case of the members of the committee? What possible doubt is there about the direction of the other members who have come in and said what was going to be done? What doubt is there about the direction there was in regard to Haldimand?

May I refer to Haldimand particularly. At the time this subject was first raised the Prime Minister expressed the hope that in dealing with this we would avoid political controversy, and that if there was any complaint the views would be expressed to him so that if possible steps might be taken to meet those objections. Following that request and following subsequent discussion of this subject, which was in no way confidential but related to the business of this house, I placed before the Prime Minister the views in regard to Haldimand which I hoped would receive some consideration. Nevertheless the course originally intended has been followed in regard to Haldimand, and there is gerrymandering of the very kind that was criticized so vigorously by the late Right Hon. William Lyon Mackenzie King in this house and outside the house, and by other Liberal members in this house.

There was a case where Haldimand, which could easily have been combined with other areas to retain its identity, an old historic riding, was merged in a way that has the effect of eliminating one of two Conservative members in this house, one a member who represented the riding before. Can there be any doubt about the direction that took place in regard to the merging of Souris and Brandon? Significantly enough they are two Conservative ridings in a province which has three Conservatives, having had only one a little over a year ago. There again, nevertheless, the riding of Souris, represented for many years by a member who has given distinguished, loyal and effective service in this house to his own province of Manitoba, as well as to the constituency he serves and to the people of Canada, has been merged. After all these years of service the hon. member now finds himself confronted with the

problem that is presented by his riding being blended with the riding of Brandon, represented by a brilliant young member who won that seat just over a year ago.

Then we have the directions that were given in regard to Huron, another riding described last night by the hon. member for Huron North as a riding with great pride in its own traditions and its history. We have the extraordinary fact of Wingham being taken out of that riding and placed in a riding with which it has had no historic association at all. There is no reasonable explanation of what has been done in that case, nor has any reasonable explanation been offered.

Then you have Frontenac. There again you have the combining of two ridings represented by Conservatives, significantly enough. There you have the member for Frontenac and the member for Hastings confronted with the necessity of deciding which of them shall continue to represent the ridings that they have represented so well for so many years. That is gerrymandering in the exact sense of the definition of that term given in this house by the Right Hon. William Lyon Mackenzie King. No satisfactory explanation has been given of that kind of readjustment.

Well, there are these ridings; and I use the term "riding" in Ontario where it is the term commonly accepted for electoral districts as distinguished from the term "constituency" employed in most of the rest of Canada or "district" in the province of Quebec. In these cases we have the significant joining of ridings which confront Conservative members with a choice of that kind, and still we see a situation of this kind, of which the riding of Algoma is an example. Algoma East remains with only somewhere between 32,000 and 33,000. Then again there are other ridings represented by ministers where that feeling that there must be some readjustment upward to conform with the changes that have taken place does not seem to press with anything like the same urgency it did in these cases to which I have referred.

All this brings us back to the fact that the sins of omission are as great as the sins of commission. There has been no real attempt to explain away, except on the grounds of political exchange, the gerrymandering of Lake Centre with its effect on the distinguished member for that constituency. There has been no attempt here to give any sound explanation for the fact that it was necessary to gerrymander the ridings of Souris and Brandon. There has been no satisfactory explanation for the gerrymandering of Frontenac and Hastings. There has been no satisfactory explanation of the greater gerrymandering in the case of Haldimand and Brant. There has been no explanation of what has been done in Huron and the truncating of that historic riding. There has been no explanation of a number of other cases that have been put before hon. members which affect members of other parties, the hon. member for Rosetown-Biggar and others in this house, as has been mentioned in the discussions that have already taken place.

There has been no satisfactory explanation yet of the difference in totals arrived at in the case of the redistribution of Annapolis-Kings and the different totals arrived at in the adjoining constituencies. Nobody is questioning the desirability of associating one part of any province with another part. That is not the point. It is whether representation by population under some understandable principle has become a reality at some time or whether it has not.

I have reviewed the situation, Mr. Chairman. I have raised once again the very cynical approach to this important problem because of the fact that the people of Canada are going to form their impressions as to the way they are being served by the extent to which they are convinced that this is done in the interests of the people of Canada instead of in the interests of political expediency, which is the only thing that can be taken from what has already occurred.

If the government will recognize the opportunity it has, it can still do something to restore the confidence of the people of Canada in the action of this government. This is one case where every member of the house should hope that the government, no matter what party forms that government, should do what it can to establish respect for the institutions of government and parliament by what is done for the people of Canada in arranging for their representation in the next parliament.

We are only now at the first clause. It will be a long time before we dispose of subsequent clauses and the schedule in this bill. There will be ample opportunity for the government to reconsider its position. The amount of time that will be taken will be measured by the extent to which the government will at this stage seek to give some reality to the statement that was made by the Prime Minister when this subject first came up for consideration. If the Prime Minister's statement was intended to be a statement of government policy, then may I ask members of the government to re-examine that statement and see how far they have strayed from it in giving the instructions

which were so accurately described by the Minister of Agriculture this afternoon. No hon. member need become impatient. They are going to hear a lot of arguments on the subsequent clauses and on the schedules.

Mr. Stuart (Charlotte): You may hear some, too.

Mr. Drew: I hope hon. members will not become impatient, because there will be opportunity to express their opinions in more detail. But on this first clause I am still expressing the hope that between now and eleven o'clock tomorrow the government will re-examine the statement of the Prime Minister, that they will come to the house at eleven o'clock tomorrow morning and will tell us that that statement was really intended to mean something.

What we have been told this afternoon by the Minister of Agriculture is that these committees were nothing but a sham, that the Liberal caucuses met and said what had to be done. Those were his words. They were told what had to be done.

Mr. Ferrie: Have you told them what they have to do now?

Mr. Drew: The hon. member who has just spoken obviously has not yet discovered that the government has not changed—

Mr. Stuart (Charlotte): And it will not; don't worry about that.

Mr. Drew: —and that the responsibility for government, unfortunately for the people of Canada, still rests with those who are disregarding so completely the statement of the Prime Minister as to what the policy of the government would be in regard to redistribution at this time.

Mr. McLure: Mr. Chairman—

Mr. Dickey: Whose turn is it? Get it straight, now.

Mr. McLure: I thought that at this time it might be well for me to say a few words with respect to Prince Edward Island, particularly the dual constituency of Queens. There has been a great deal of debate concerning different constituencies affected throughout Canada. I am not going to deal with any of those, and shall confine my remarks to the one in Prince Edward Island in which I am interested, the dual constituency of Queens.

In 1873, under Sir John A. Macdonald, Queens became a dual constituency. I am going to be brief in setting out the history of that constituency. I came here prepared, in case things went wrong, to give more detail. Perhaps I should say that after the census of 1891 there was a redistribution bill in 1892 or 1893 under Hon. Mr. Thompson, who was then Prime Minister.

At that time the constituency of Queens was divided into East Queens and West Queens. This continued for a number of years until, in the redistribution following the census of 1901 and under the premiership of Sir Wilfrid Laurier, the county was reunited and became again a dual constituency with the duty of electing two members, perhaps at times of one political complexion and at other times of different political views. I consider we should continue to have a dual constituency in Queens.

From 1903 on, further representations were made. After the census of 1911, that of 1921 and again in 1931 it was argued that the constituency should be divided again. But the prime ministers of the different governments holding office during those years were opposed to it, and believed it was better that it should remain as it was. In 1947 a direct drive was made by some persons to have the constituency divided into two constituencies of East Queens and West Queens. However, that did not go through.

I was not a member of the committee that studied this redistribution bill, but I attended two or three meetings, sitting on the sidelines. At the last meeting I attended the chairman of the committee said he would notify me when matters affecting Queens and the city of Charlottetown were before the committee.

In connection with matters affecting the subcommittee for the maritime provinces I dealt with the hon. member for Prince, who is parliamentary assistant to the Minister of Fisheries, and met him on two or three occasions. We talked the matter over, and I found him most attentive in listening to what I had to say. From him I learned, however, that considerable pressure was being brought to bear to change the boundaries and make a division of the constituency so that once again there would be two instead of one. When I thought there might be difficulty, I offered a compromise whereby if a division should be made, one part would be urban and the other rural. However, neither of these suggestions received any further consideration from the chairman of the subcommittee, or from the committee as a whole. I am grateful to the chairman of the main committee and to the chairman of the subcommittee for granting the request I made that if they could not divide it as I suggested, it be left as the dual constituency of Queens. But they might have corrected one thing in the description of the constituency. It reads:

Queens consisting of the county of Queens, which shall return two members.

They should have added "Conservative" so it would read: "shall return two Conservative members." Again I want to thank the chairman of the main committee and the chairman of the subcommittee for the way in which they dealt with my representations on behalf of the dual constituency of Queens.

It has been proposed in the past and again during this session that some other method be adopted to carry out redistribution. I think if people would get together we could get clear of all these disputes about boundaries and so on. I know that in the little conversation I had with the chairman of the maritimes subcommittee we were able to iron out our difficulties, and I am better pleased with what has happened than if the constituency had been divided.

Mr. Harrison: Mr. Chairman, I have been interested in the arguments presented by the Conservative party during the last couple of days, and have tried to follow them to understand what they want done.

With regard to Saskatchewan, I gathered that the leader of the opposition would like to have the boundaries of Lake Centre set by his party; then the rest of the constituencies could be arranged by other members of the committee, as has been done. May I point out to the leader of the opposition that any change made in the boundaries of Lake Centre is not going to materially help the fortunes of the Progressive Conservative party in Saskatchewan. The state of their fortunes lies with their own party, not with this committee. If they would make the hon. member for Lake Centre the leader of their party they would do far more for their party in Saskatchewan than could be done by any change in the boundaries of Lake Centre. I leave that for their consideration. I say it with all respect, but it is a matter of record in the province of Saskatchewan and is just one of the plain facts of life out there.

I felt some amusement following the remarks yesterday of the hon. member for Eglinton when he referred to the changes made in Saskatchewan. Usually he talks with considerable logic, but when he got out on the prairies of Saskatchewan he got himself more or less lost. He had been talking about the riding of Kingston-Frontenac, which he said was an empire of 46 townships.

An hon. Member: You are lost.

Mr. Harrison: Is it not Kingston-Frontenac?

An hon. Member: Get the right riding.

Mr. Harrison: Out in our country 46 townships is not a large empire. As a matter of fact a slight change was made in my own riding when they added some 60,000 square miles. The hon. member referred to Lake Centre as being one of the largest ridings in Saskatchewan. It may be in point of population, but in point of area it does not compare with my own.

Mr. Low: Does the hon. member mean 60,000 square miles?

Mr. Harrison: Sixty thousand square miles were added to Meadow Lake. Previously it had an area of 45,000 square miles, and it now consists of 105,000 square miles. There are 250,000 square miles in the province of Saskatchewan and I now have 105,000 square miles of it. That might be a basis for complaint. As far as I am concerned I think it is a tremendous area. A lot of it is sparsely populated, but there is population in all parts and it requires covering at least once a year. The commitment I made when I came down here in 1949 in connection with the 45,000 square miles—

Mr. Fulton: I do not like to interrupt the hon. gentleman, but will he check the figures he has given?

Mr. Harrison: I can show the hon. gentleman a map of Saskatchewan with Meadow Lake in its proper perspective, if a page boy will take it over to the hon. member.

Mr. Fulton: From what the hon. member has said he has about half the province.

Mr. Harrison: I have close to half the province. When you talk about the addition of a few townships you are not talking of anything in that part of the country. When I came down here in 1949 I made the commitment that the people even in the sparsely settled areas would see me and be able to bring their problems to me personally at least once a year. That had never been done before. I have been able to accomplish that even though we have been sitting on an average of eight months a year here in Ottawa. It has meant the use of pontoon-equipped planes to cover that area, and the new area that is being added will complicate the situation, as it will mean that double the mileage will have to be flown. I want to state publicly for the information of the people in my riding, and especially those who live in the north, that the parts where there is any population whatsoever will see me at least once a year, and I include the portion that has been added.

This means considerable flying and some expense. I am sure some hon. members have no conception of what it means to cover a northern riding with an area such as I have mentioned. If some hon. members could come with me for two or three weeks when

I cover the north end of my riding they would get some idea of the expanse of that part of Saskatchewan.

Sometimes it is a lovely trip, but unfortunately we cannot always choose the time because of our duties here. The people in the north are very hospitable, perhaps more so than those in the southern regions. The simple reason for this is that they must depend upon each other for their very lives. No matter where you land they are willing to divide what provisions they have, though they may be very short at times. There are settlements all over this new area.

There are three watersheds in this riding. In the southern part there is the watershed of the Saskatchewan river. The centre part contains the beginning and the greater portion of the Churchill river system. In the northern part the drainage is into the Mackenzie river, Great Bear and Great Slave lakes, and from there up to the Arctic. That gives you some idea of the immensity of the area. As I say, there may be some complaints from various members as to what has been done with their ridings. I do not regard the matter of 60,000 square miles being added to my riding very lightly, because I know just exactly what that means in terms of being away from home. It means that during the four months I am not in the building here I will be on the road practically continuously trying to cover that constituency so the people will have a chance to see me. Whether that has been of advantage to them or whether they like it, I will be able to tell you better after the next election because, as I said, nobody has ever done it before.

I promised the people in 1949 that I would do that, and I re-emphasize now that I will also cover the additional 60,000 square miles in addition to the 45,000 I already have. If they appreciate it I have no doubt they will show their appreciation. I should also like to say that in covering that northern area one sees a great variety of occupations. In the centre portion I have to deal largely with fishermen. In the north there is a large uranium development taking place. That uranium development is certainly going to mean a much greater population there, and I have no doubt that by the time another redistribution rolls around a large portion will have to be cut off the riding of Meadow Lake. You will not see the riding then as it exists today.

Recriminations have been tossed back and forth across the floor and naturally I have been interested in hearing each member's troubles. However, we all have our troubles and I think I have them the same as anybody else. They are going to remain with me until such time as the people decide to replace me in that riding. Covering that area every year is going to be a recurring thing so far as I am concerned. You cannot have an operation on the human body without causing some pain, and the body politic is not much different. The usual idea of an operation is to endure pain for a short time in the hope that the body may become better and the pain will pass away. In this case we hope that in the course of time the wounds will heal.

As Saskatchewan has had to lose three seats the operation has been a little more substantial than in other provinces. I hope hon. members will be able to reconcile their differences, and in view of the addition to Meadow Lake I point out to hon. members that they are not the only ones who have trouble. If they think they have been badly done by I suggest they travel around my constituency with me. As soon as this session of the house is finished I am going to start to cover that 60,000 square miles, and the people of that area are going to see me before the snow flies. They are going to see me before we come back here on November 20.

I wanted to make that statement publicly to try to ease a little of the tension so far as Saskatchewan is concerned. The hon. member for Lake Centre and I are very good friends, and he knows that I would not want to do him an injury at any time. So far as he is concerned, I hope something can be arranged to help him a little; but so far as the map of Saskatchewan is concerned I do not think he has been treated any worse than anybody else. If he would sit down and discuss the matter with some of the other members I think he would find that they had to give and take, too. We all had to take some kind of trimming in order to bring our strength down to 17 members instead of 20. It is much better to sit around a table and talk things over than to cast recriminations across the floor of the house. If he does not think he has received as good treatment as anyone else I suggest that he should get together with some of the other members, discuss the matter quietly in one of our rooms and say where he thinks he has been treated worse than others.

I make that suggestion. I have always found it preferable to approach somebody with whom you have a difference in an amicable manner and see if you cannot get together and iron it out. I think that has been the purpose of most of the subcommittees, and most of them have done a fairly good job. Members who wished to do so could

present their case as to why they felt something should not be done to them, and if the hon. member could show that he was being hurt worse than somebody else I think the committee would show some leniency in his case.

Mr. Brooks: Mr. Chairman, at this late hour I do not intend to take much of the time of the committee. In fact I could not if I wanted to. I intend to discuss my own province to some extent, but I will not do so now. I was a member of the maritime provinces subcommittee, and I should like to refer to a matter concerning the province of Nova Scotia. When we first met we did not seem to have very many problems, and we had a very congenial meeting. There were two problems with which we had to deal. First there was the question of the constituency of Queens about which the hon. member for Queens has told you. The second question had to do with what would be done in Nova Scotia where the number of seats was to be reduced by one.

It was decided unanimously at our meeting that the constituency of Queens-Shelburne should be the one to be dropped. We did not discuss the matter at any great length, but it seemed obvious to everyone that that was the only logical conclusion to which we could come. I know it was mentioned that it was regrettable that it had to be the constituency of the hon. member for Queens-Shelburne, and may I personally say how much I regret his ill health. I wish to join with the Minister of Resources and Development and others in the hope that he may soon recover.

The minister and others have referred to Queens-Shelburne as being a Liberal constituency. As I recall what took place in the committee it was brought out that the constituency was usually a fifty-fifty proposition and that in the last federal election Dr. Smith won the seat by something like 200 votes at a time when there was a definite swing against the opposition party. That will indicate to hon. members that the Liberals on the committee did not consider that the abolishing of the seat was such a great loss politically.

It was also definitely decided—and this is my recollection of what took place as outlined by the hon. member for Melfort—that the constituency of Annapolis-Kings was to remain as it was. I have a definite recollection of that, and was very much surprised when I heard that there had been a change. It was understood that the affected areas in Nova Scotia would be the constituency of Lunenburg, the constituency of Queens-Shelburne and the constituency of Digby-Yarmouth. As a matter of fact after the committee meeting the hon. member for Melfort and I were with the hon. member for Annapolis-Kings and we congratulated him. The hon. member for Melfort referred to the fact that his constituency was to be left as it was. What understanding was reached later I am not in a position to judge, or why a misunderstanding arose; but the fact is that after the meeting it was agreed that since it was entirely a Liberal matter we would leave it to the Liberal members to decide what they should do with Queens-Shelburne. If the constituency of Annapolis-Kings had been involved do you think we would have left it to the Liberal members as we did? I am sure the Liberal members will agree that was the understanding, that we would leave it with them. I remember that the hon. member for Antigonish-Guysborough said: We will have to do a bit of juggling. He did not mean it in the sense meant when you speak of juggling things around to suit yourself, but he realized at the time that it was up to them to look after this proposition.

So as I say I was amazed later on when I was told that another committee meeting had been held—I was away at the time—and it had been decided to put half the county of Digby in with Annapolis-Kings and the other half with the constituency of Yarmouth. I am sure hon. members can see just why we considered that the constituency of Annapolis-Kings would not be touched. These figures were brought in to the committee. The constituency of Lunenburg had 33,256; Yarmouth-Digby had 42,783; and Annapolis-Kings had 54,930. It surely would occur to any logical group of men that a constituency of 54,930 would not be added to when you had two adjoining constituencies, one of 33,256 and the other of 42,783.

Some hon. Members: Hear, hear.

Mr. Brooks: We never for a moment thought that Annapolis-Kings would be touched. As I say, we understood that it would be left alone. When I heard of the proposed change —that is, that Lunenburg and Queens would be joined to make 45,800, Yarmouth, Clare and Shelburne to make 45,595, and Annapolis-Kings and Digby to make 66,510—a constituency with almost 22,000 more than the others—it immediately appealed to me as being most unfair. We asked for another committee meeting, which was called; and at that committee meeting, Mr. Chairman, I moved an amendment. The amendment was to the effect that Lunenburg and Queens be joined, giving a population of 45,800; that Yarmouth, Digby and Shelburne be joined to give a population of 57,175; and that Annapolis-Kings be joined giving a population of

54,930—three constituencies which would have practically the same population. Yarmouth, Digby and Shelburne would have about 2,000 more than Annapolis-Kings.

Well, my amendment to the report was voted down in the subcommittee and I might say—and it happened through all the subcommittee meetings—that the hon. member for St. Boniface was the man who cast the deciding vote in that committee. It was three to three; the hon. member for St. Boniface cast the deciding vote and decided against that recommendation.

The matter was carried to the general committee and there, since that did not seem satisfactory, we put up what we considered to be another logical proposition. I might say here that the reason we spoke of dividing Digby county was because Digby county is divided into two separate municipalities, Clare and Digby. One municipality could go with one constituency and one with the other without upsetting the municipal government to any extent. We found out that the constituency of Shelburne was divided into two municipalities—which I did not know at that time—of Barrington and Shelburne. I moved another amendment in the main committee. I moved as an alternative to the proposition which had been brought in by the subcommittee, that Lunenburg, Queens and Shelburne municipalities, having a population of 53,619, be made one constituency; that Digby, Yarmouth and Barrington municipalities with 49,356 be made another constituency; and that Annapolis-Kings again be left as it was as we had been promised; there is no doubt about that in my mind.

There you have three constituencies, Mr. Chairman, with practically the same population; and I don't see how any logical group of men could ask for a change such as is being asked here when you give the hon. member for Annapolis-Kings 22,000 more than either of the adjoining constituencies.

Some hon. Members: Eleven o'clock.

Mr. Brooks: I will be through in a minute, Mr. Chairman. I listened to the minister this evening give us the history of Nova Scotia. He gave us the geography of Nova Scotia and he mentioned every combination that would have been possible in that province except the one which we recommended to that committee, the only logical combination that could have and should have been made.

If I had more time, Mr. Chairman, I would go on and point out the great unfairness that has been done to the hon. member for Annapolis-Kings.

Mr. Winters: I just wish to say that I did mention the possibility of adding Shelburne in whole or in part to Queens-Lunenburg, and the reasons that was rejected.

An hon. Member: Eleven o'clock.

Section stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): As this is a most interesting debate I suggest we continue the study of this bill tomorrow and then take the estimates.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Wednesday, July 2, 1952

The house met at eleven o'clock.

WAR REPARATIONS

COPIES IN FRENCH OF REPORT OF ADVISORY COMMISSION

Right Hon. L. S. St. Laurent (Prime Minister): I wish to lay on the table copies in French of the report of the advisory commission on war claims. The English copies were tabled on June 18, and I said then that it might be some days before we could get the French version from the printer.

QUESTIONS

FLIGHTS OF AIRCRAFT A.O.P.-10,000

Mr. Coyle:

1. On what occasions since January 1, 1951, has the C-5 aircraft bearing registration A.O.P.-10,000 been dispatched on flights outside of Canada?
2. What was the mileage, destination and route flown on each such flight?
3. Were passengers other than members of the Royal Canadian Air Force personnel carried on any such flight?
4. If so, what are the names of such passengers, and in each case, what was the status and reason for travel?
5. Were such passengers carried throughout the flight, and if not, between what points was each passenger carried?
6. Having regard to the number of passengers carried and the over-all cost per mile of operating the aircraft, what was the estimated cost of such trips for each passenger named?
7. What was paid by each of the passengers named for such flights?

Mr. Fournier (Hull): Mr. Speaker, we have no objection to making this question an order for return, with the following reservation. I received this note from the department because of the absence of the minister. As a rule, Canadian air force records containing the detailed information requested by this question are preserved only for a period of one year. The information asked for can only be provided back to the 1st of July, 1951.

Mr. Speaker: Order for return.

Mr. Fournier (Hull): Will note be taken of the reservation?

Mr. Drew: As a matter of information, in regard to the point that has just been raised and without particular reference to this question, is it to be understood from that statement that the records are destroyed periodically each year?

Mr. Fournier (Hull): I understand that they keep those records back one year. Every month they destroy the records because they would have a great many of them. I am no expert in these matters; I am just reading the note which was handed to me by the department.

Mr. Drew: This is a matter of more importance than might appear from the explanation that has been given in relation to a single question. I would point out that it is a well established practice that each aircraft has a log book, and along with that log book is a record of the operation of the aircraft and its task on each particular occasion. It would be a most remarkable situation if the log books of the aircraft, with the entries that would go with them, were not kept in the way that has been the practice for so long.

Mr. Fournier (Hull): The only thing I can say is that if there were any objection to the reservation we would like the question to stand because I have not the same knowledge of these things as the leader of the opposition. I have no objection to allowing the question to stand.

Mr. Graydon: It might create a very dangerous precedent.

Mr. Drew: I have not had the opportunity naturally, Mr. Speaker, to discuss it with the member in whose name the question stands. What I am concerned with is not the fact of this particular question, but the general effect of the answer given. I would ask that this be allowed to stand until later in the day so that I may have the opportunity of discussing it with the hon. member, because in indicating agreement with the proposal made I might also be thought to indicate agreement with the broader proposition contained in the answer of the minister on this occasion. If the minister will agree to let this question stand until three o'clock this afternoon, I can have an opportunity of discussing it in the meantime.

Mr. Fournier (Hull): No objection.

Mr. Speaker: Question stands.

OLD AGE SECURITY PAYMENTS IN PROVINCE OF QUEBEC

Mr. Maltais:

1. How much has been spent by the federal government under the Old Age Security Act in the

province of Quebec (a) since the act came into effect in January, 1952; (b) in the month of May, 1952?

2. How many persons are receiving old age security payments in the province of Quebec?

Mr. Cote (Verdun-La Salle):

1. (a) $27,977,032.14; (b) $5,706,780.78.

2. 142,265.

QUESTIONS PASSED AS ORDERS FOR RETURNS

RESERVE FORCE OFFICERS, EASTERN COMMAND—PAY AND ALLOWANCES

Mr. Lennard:

1. How many reserve force officers in the eastern command received pay and allowances in excess of $800 during the calendar year 1951?

2. What are their names and what were the amounts each received?

RESERVE FORCE OFFICERS, WESTERN COMMAND—PAY AND ALLOWANCES

Mr. Lennard:

1. How many reserve force officers in the western command received pay and allowances in excess of $800 during the calendar year 1951?

2. What are their names, and what were the amounts each received?

RESERVE FORCE OFFICERS, CENTRAL COMMAND—PAY AND ALLOWANCES

Mr. Lennard:

1. How many reserve force officers in the central command received pay and allowances in excess of $800 during the calendar year 1951?

2. What are their names, and what were the amounts each received?

RESERVE FORCE OFFICERS, PRAIRIE COMMAND—PAY AND ALLOWANCES

Mr. Lennard:

1. How many reserve force officers in the prairie command received pay and allowances in excess of $800 during the calendar year 1951?

2. What are their names, and what were the amounts each received?

GOVERNMENT ADVERTISING—COCKFIELD, BROWN AND COMPANY

Mr. Knowles:

1. During each fiscal year, commencing with the year ending March 31, 1945, how much advertising, by dollars, has been placed by each department of the federal government, or by any branch or division or agency operating under any department, through Cockfield, Brown and Company, Limited?

2. Who is the Ottawa representative of this firm?

3. On what basis is such advertising placed through this firm?

4. Through what other firms has advertising been placed during each of the fiscal years set out in question No. 1, and what is the total amount placed through each such other firm?

[Mr. Maltais.]

INDIAN HEAD AND SWIFT CURRENT—MINERAL AND OIL RIGHTS

Mr. Wright:

1. Does the dominion government hold the mineral and oil rights on the land included in the dominion experimental farms at Indian Head and Swift Current?

2. Have these mineral and oil rights been disposed of within the last five years?

3. If so, to whom, and on what conditions?

CANADIAN NATIONAL RAILWAYS—TEMPORARY TRACK MEN

Mr. Dube:

1. How many temporary track men are employed by the Canadian National Railways at the present time, in extra track gangs working on each of the western, central and Atlantic regions?

2. What wages are paid to these men in each of the above regions?

3. Does the Canadian National Railways collect any amount for board from these men? If so, how much in each of these regions?

HOUSING—AIR FORCE PERSONNEL—MOOSE JAW

Mr. Thatcher:

1. How many housing units are under construction at Moose Jaw for married personnel, at the new Royal Canadian Air Force air station?

2. Will this be the total number constructed, or are additional units planned?

USE OF WORD "ROYAL"

Mr. Stanfield:

1. How many requests for the use of the privilege of using the word "Royal" has the government considered within the past two years?

2. How many such requests have been approved, and to whom were they granted?

3. How many such requests have been refused?

4. How many are still pending?

5. Has the government of Canada or the government of the United Kingdom refused to recommend to the sovereign any such petitions?

6. Are there any conditions on the use of the word "Royal," and if so, what are they?

MOTION FOR PAPERS

CANADIAN NATIONAL RAILWAYS—BY-LAWS OF BOARD OF DIRECTORS UNDER CHAPTER 172 OF THE REVISED STATUTES OF CANADA

Mr. Pouliot:

For a copy of the by-laws of the board of directors of the Canadian National Railways under chapter 172 of the Revised Statutes of Canada, 1927, as amended.

Mr. Chevrier: The hon. member for Temiscouata, to whom I have just been speaking before coming into the house, has authorized me to say that he is willing to have this notice of motion dropped.

Mr. Speaker: Dropped.

REDISTRIBUTION

READJUSTMENT OF REPRESENTATION IN THE HOUSE OF COMMONS

The house resumed, from Tuesday, July 1, consideration in committee of Bill No. 393, to readjust the representation in the House of Commons—Mr. Harris (Grey-Bruce)—Mr. Beaudoin in the chair.

On section 1—*Short title.*

Mr. Drew: Mr. Chairman, before we proceed with the discussion of this measure may I direct a question which might conceivably limit debate, if there is a possibility of that. I would point out that we are now still discussing the first section. I suggested the advisability of considering reference back of the constituencies which are particularly in dispute. Before we proceed with any further debate I would ask if the government has given consideration to the proposal made, that this matter be referred back, and that we proceed with the discussion of the estimates in the meantime.

Mr. Harris (Grey-Bruce): Mr. Chairman, there were two suggestions made last night by hon. members opposite, that by the hon. member for Peel and that by the leader of the opposition. In effect the hon. member for Peel suggested that even at this late date we might reconsider the question of having redistribution effected by an independent commission and, if that were not possible, that there be further consideration of the five or six particular constituencies he mentioned at that time.

With reference to the question of a redistribution commission: this House of Commons settled that, at least for the time being, by a vote last Saturday. I have not interrupted hon. members opposite, after the first one had spoken, by suggesting to you, Mr. Chairman, that they have been out of order. In fact, almost every one who has spoken has made direct reference to a commission.

I do not wish to instruct hon. members opposite on how to act in debate, but I do suggest that when they go further and make the specific suggestion of some other system, namely that of a redistribution commission, they are out of order in this debate. Nevertheless I wish to assure hon. members that the question of a redistribution commission will be given the most serious consideration. There are views which are held by members, and which are strongly held, on both sides of the question.

It is not an entirely open and shut question, one which can be decided overnight, merely by the assertion by hon. members opposite that another system would be better than the one we now have. And I may say, Mr. Chairman, that I perhaps would be out of order myself if I were to discuss the matter, except that I was asked this question. However, I do wish to say one word about it, and then conclude this part of what I have to say.

Hon. members opposite have spoken in the most glowing terms about the success of what has been achieved in the United Kingdom and in other commonwealth countries. I am just hesitating to ask whether they read the debates of any of the legislatures to which they referred, for if they had I am sure they would not have made the statements they did make.

I am not going to give many opinions, but I am going to place on record one opinion, and then I shall say no more on this point. That is the opinion of the leader of the Conservative party in the United Kingdom, a gentleman who is held in the highest regard in this House of Commons, and whose words I have no doubt are frequently quoted by hon. members opposite. This is what he had to say with respect to a bill introduced by the government following the boundary commission report in the United Kingdom.

Mr. Drew: What is the date?

Mr. Harris (Grey-Bruce): It is reported at column 3042 of volume 448. He said:

> This bill is based on no principle except that of party advantage and has no sanction behind it except the party majority, obtained on false pretences and with an electorate utterly disproportionate to the results produced in the House of Commons.

And so, let me conclude my reference to a redistribution commission by saying this, that it is not a closed question. We can study it and I can assure the house that we will give the most serious consideration to this question of redistribution.

Mr. Diefenbaker: Would the minister allow a question? Had he read that statement before he made the statement to Michael Barkway, as reported in Toronto *Saturday Night* of this week, that he is in favour of a commission?

Mr. Harris (Grey-Bruce): I had read it before I saw the article in *Saturday Night,* and I made no statement to the writer of that particular article. If he chooses—

Mr. Fleming: When the minister said that the question would be reconsidered, did he mean with respect to the present redistribution?

Mr. Harris (Grey-Bruce): No; I was going on to say that I have concluded what I have to

say on that point, and I go on to say this: When the house decided last Saturday to proceed without having a redistribution commission for this session at least, it had reference to this particular redistribution.

At the moment I am not going to debate the details of this bill. Complaints have been made about it, and they have been answered most effectively by the Minister of Agriculture, the Minister of Resources and Development and other hon. members. But bear in mind that there are a great many members who would like to speak on this bill when the schedule is reached having to do with particular constituencies. It will take some time, I understand, to have that discussion. It is therefore the hope of the government that this bill may be proceeded with, to the schedule, at which point we can have specific discussion on specific items.

The leader of the opposition, closing his remarks last night, suggested that we should look at what the Prime Minister had said and, as he put it, see how far we had departed from the course he had outlined. May I read at this time that part of the Prime Minister's observations to which he was referring, although he did not indicate it specifically, as they are reported at page 1419 of *Hansard* when he was introducing the motion to set up a redistribution committee. At that time he said:

> This motion is being submitted to the house in furtherance of the statement I made on March 10 about redistribution. I stated at that time that it was at least my view that this matter of redistribution, the matter of the readjustment of representation in the House of Commons, was not a responsibility of the executive branch of our constitutional set-up but that it was a responsibility placed by the constitution on parliament, generally. I pointed out that it had always been the custom for the leader of the majority group in the house to provide an opportunity for members to discharge that responsibility, by submitting a bill for consideration by the house and which was drawn in accordance with the rules then applicable to the matter of readjustment and which, after it had received second reading, was referred to a committee composed of members of all the groups in the house, to determine the schedules that would describe the territorial divisions entitled to return members to parliament.

Now, that is precisely what is being done. We have before us a report of a committee appointed to prepare schedules. It is not the function of the executive of government to draw that bill—at least it has not been since a Liberal government in 1903 changed the procedure which had applied up to that time. Since that time we have always followed the procedure of referring a bill to a committee, and then discussing the report of the committee. The government recognizes that the bill may have imperfections in the eyes of hon. members, and for that very purpose it is brought here to the committee where no doubt amendments will be offered. If those amendments commend themselves to the majority of the committee, I have no doubt they will be carried. The place to deal with these matters is on the appropriate schedule by debate and by the decision of parliament, as indicated by the Prime Minister.

Mr. Drew: Mr. Chairman, it is clear that the minister who has just spoken has misapprehended completely the reference to the Prime Minister's statement and the effect of that statement upon the procedure that has been followed. When I suggested yesterday that the government should examine the statement of the Prime Minister I was referring to the statement to which the minister has just referred. What the Prime Minister said was that it was not the responsibility of the executive branch of government to decide what will be done but rather that it is the responsibility of parliament generally. We had a perfectly clear explanation yesterday which by no possible chance could be misunderstood, that Liberal caucuses in the provinces had instructed their representatives what must be done. The word "must" was the word employed in the explanation given to us yesterday.

That is not leaving the responsibility to parliament generally. What I was suggesting in my remarks last night, as on earlier occasions, was that the government let the committee approach this problem in a way that would recognize the very principle that the Prime Minister laid down, that is, that it is the responsibility of parliament generally. What has happened is that the committee has been told what is to be done. There has been a certain discussion back and forth and in certain cases some arguments have undoubtedly received some response, but no doubt was left by the explanations that were given yesterday at the ministerial level as to the extent to which direction had gone to members of the committee.

Mr. Gardiner: Nothing to do with what we are talking about.

Mr. Drew: It has everything to do with what I am talking about.

An hon. Member: What is he talking about?

Mr. Drew: The minister who has just spoken has said that that is precisely what is being done after having quoted the words of the Prime Minister. That is precisely what is not being done. Not only has the executive branch, but that segment of parliament represented by the party in power —we are told so frequently by the members

of the government that it has such a large majority—have made their decision as to what must be done by their members on the committee, as explained to us yesterday at the ministerial level.

Without extending this beyond the point raised by the minister on this occasion, I simply want to point out that last night I was suggesting that this matter go back before the committee for re-examination, particularly those points which have been so much under discussion in this committee. When the minister says that amendments may be moved, they would be amendments in relation to a particular plan that has already been decided upon. I used the simile before that the only difference between what had happened on earlier occasions and now is that in this case the condemned man is allowed to see the scaffold in advance. That is the only difference, but in this particular case, if it is left on the basis it is now, the only change would be that he would be permitted to make a motion by way of amendment which would change the length of the rope. That is really all that is left when you are dealing with constituencies where decisions have been made.

I would still hope, when it is so clear that there are these specific objections, that the general committee on redistribution—I am not talking about the committee of the whole house—be permitted to re-examine this and see if they cannot meet some of the objections that have been made. In the meantime we would be wasting no time because we could proceed with other business that is available.

Mr. Harris (Grey-Bruce): May I just make a brief reference to what has been said. My hon. friend suggests that, because the Liberal members of a particular province met together to discuss the problems of that province, they are offending against parliament. By inference he suggests that no one else does that.

Mr. Drew: Now, Mr. Chairman, let us keep this on a reasonable basis.

Some hon. Members: Oh, oh.

An hon. Member: Get a little more rope.

Mr. Drew: Mr. Chairman, I hope hon. members will recognize that at least it is less inconvenient for me to remain here in Ottawa than it is for some others, and I am quite prepared—

An hon. Member: Do not worry about us.

Mr. Drew: —if hon. members—

Mr. Gardiner: That is why you are keeping us here.

Mr. Stuart (Charlotte): Do not threaten.

An hon. Member: That is one reason we are still here.

Mr. Drew: Mr. Chairman, I am quite prepared to wait whatever time is necessary to have my remarks heard in this committee. I was simply pointing out to the minister that I was not suggesting for one moment that there should not be discussion; there was never any suggestion of that in what I said. What I was referring to was the absolutely clear and unshrouded statement that a caucus had said what must be done and that those were the instructions.

Mr. Gardiner: My remarks were with regard to the existence of constituencies; not with regard to any boundary lines at all.

Mr. Harris (Grey-Bruce): I think both parties have made their position clear and we might proceed with the discussion of the bill.

Mr. Adamson: I know the minister does not want to leave any misapprehension about the United Kingdom situation. I happened to be there at the time and the objection to that bill was that it was in fact a gerrymandering bill in that it did away with the twelve university seats where normally people of independent thought were elected and it weighted the representation toward Socialist urban and away from Conservative rural representation. Those were the objections to the bill.

Mr. Harris (Grey-Bruce): I quite agree. I quoted that simply to point out that even under this wonderful system there can still be political objections.

Mr. Kirk (Antigonish-Guysborough): Mr. Chairman, in taking part in this debate on redistribution I first of all want to compliment the Minister of Resources and Development upon the very fair statement he made yesterday in the house in reply to the observations of the hon. member for Annapolis-Kings. As a member of the redistribution committee for the maritime provinces I endorse everything said by the hon. minister.

May I in passing say that I know all hon. members were glad to hear the minister say that our good friend, the hon. member for Queens-Shelburne, is improving in health so much that he may be taking his seat in the house when parliament reconvenes in the fall.

At the outset I may say that I had not intended taking part in this debate, for two reasons. First, I did not think that there would be any occasion to do so as I was firmly convinced that the hon. member for Annapolis-Kings, if not pleased, would at least be satisfied that the redistribution was

fair to his party. However, his remarks indicate anything but satisfaction with the fair way in which the matter was handled.

Second, after he had finished his remarks and the minister from Nova Scotia had replied I felt that the minister had answered satisfactorily the criticisms that had been made. But when the hon. member for Annapolis-Kings had to commandeer or rally to his support outside help, so to speak, by calling upon members from other provinces and even from distant parts of Canada I decided that I should say a few words. Why did he not commandeer the Conservative members for Cumberland and Colchester-Hants to support his fallacious contentions? They at least know the conditions in Nova Scotia.

As far as the contention is concerned, which was made by opposition members, that an understanding had been reached by our subcommittee at its first meeting, this is not in accordance with the facts. I do not think that the member for Annapolis-Kings or the other members are deliberately misrepresenting the understanding that was arrived at during that meeting. To be fair to them all, I believe they simply misunderstood that understanding which was that we would not change the boundaries of the riding known as Digby-Annapolis-Kings from the description which it bore from 1935 to 1949 when Nova Scotia was a twelve member province. I think the member for Annapolis-Kings surely understood. Otherwise, why did he make the suggestion that the whole constituency of Queens-Shelburne, which it was agreed was the constituency to go and which, mark you, meant the loss of a Liberal and not an opposition member, should be added to the riding of Lunenburg? Why did he suggest that Queens and Shelburne should both be added to that riding? He did state later in the committee that this was said facetiously but if he understood, as he claims, that the matter had been decided at the first meeting, then even a facetious remark was unnecessary and uncalled for.

Before 1945 Nova Scotia had twelve members but following the redistribution in 1947 an extra member was allotted to us, and the constituency of Queens-Shelburne again came into existence in 1949. When we learned recently that Nova Scotia had to lose its extra member the natural course for us to follow, unless we were to drop a Tory seat, was to consider the plan of reverting to the boundaries that had been in existence before 1947 and which boundaries, I may add, had been decided upon by the Conservative government when in power during the 1933 redistribution.

[Mr. Kirk (Antigonish-Guysborough).]

In drawing up the constituencies several factors were taken into consideration, not only population and area but community of interest which was another factor. The industrial life of the people living in the riding, race, creed, culture, etc., were combined to make up what we thought to be a homogeneous group of ridings. With respect to population, as already indicated the present high population of the proposed riding is made up in part by a floating military population which may well disappear in large measure when the present military activities become less necessary.

All in all I cannot think that the opposition can find great fault with the decision to revert to a division of ridings which they themselves set up in the first place, especially when it is a Liberal riding which we have eliminated. As a member of the subcommittee on redistribution for the maritime provinces, I am still satisfied, in spite of everything that has been said, that the right redistribution was made.

Mr. Fleming: There is one aspect of the statement made to the house this morning by the Minister of Citizenship and Immigration, who was chairman of the redistribution committee, upon which I should like to make specific comment, and I am glad the Prime Minister is in the house because I think it also concerns him. Last night, when the leader of the opposition was speaking on this subject, he said, as recorded at page 4079 of *Hansard*:

> At the time this subject was first raised—

That is the subject of redistribution.

> —the Prime Minister expressed the hope that in dealing with this we would avoid political controversy, and that if there was any complaint the views would be expressed to him so that if possible steps might be taken to meet those objections. Following that request and following subsequent discussion of this subject, which was in no way confidential but related to the business of this house, I placed before the Prime Minister the views in regard to Haldimand which I hoped would receive some consideration. Nevertheless the course originally intended has been followed in regard to Haldimand, and there is gerrymandering of the very kind that was criticized so vigorously by the late Right Hon. William Lyon Mackenzie King in this house and outside the house, and by other Liberal members in this house.

Further, the leader of the opposition also said last night, as found at page 4080:

> The amount of time that will be taken will be measured by the extent to which the government will at this stage seek to give some reality to the statement that was made by the Prime Minister when this subject first came up for consideration. If the Prime Minister's statement was intended to be a statement of government policy, then may I ask members of the government to re-examine that statement and see how far they have strayed from

it in giving the instructions which were so accurately described by the Minister of Agriculture this afternoon.

If I understand correctly the statement made this morning by the Minister of Citizenship and Immigration—and I take it that it was a statement made on behalf of the government—it is quite clear that the government now takes the attitude that this is not a matter that concerns the government. The suggestion was made that it would be left to the house because redistribution is a matter for the house. All who have a sense of reality as to the precise position in these matters wonder how the subject can now be made one that is not a matter for government policy, particularly in the light of the statement referred to last night which was made by the Prime Minister in the first instance.

With respect, I should like to say to the Prime Minister that, after the debate that has been going on now for several days, a debate in which some very serious questions have been discussed in the house, I think he ought to make a statement to the house. I consider the Prime Minister owes a statement to the house particularly in the light of the reference made last night by the leader of the opposition to the statement made to him by the Prime Minister several months ago at the outset of this matter. I suggest that the statement made by the Prime Minister on that occasion simply cannot be reconciled with the statement made this morning by the Minister of Citizenship and Immigration that this somehow ceases now to be a matter in which the government as such is concerned but becomes a matter for the house.

There is the first point. I think these statements cannot be reconciled. If the statement made this morning by the Minister of Citizenship and Immigration is a statement made on behalf of the government, then it cannot be reconciled with the statement made to the leader of the opposition by the Prime Minister several months ago unless in the meantime there has been a change in the position of the government with relation to the whole question of redistribution.

In the second place I wish to make this observation. How can it be suggested seriously by the Minister of Citizenship and Immigration that this is a subject which ceases to be a matter of concern to the government? How does it suddenly cease to be a matter concerning which the government has a policy? We know perfectly well that several government ministers have already spoken on this subject. We know how attentive government supporters in the house are to what is said by ministers of the government, and surely it is not a very realistic approach to this matter to suggest now that it is a matter for the house and not one for the government. I am sure that anybody who sits in this house or makes any attempt to follow what happens in the house is not going to be very deeply impressed by the suggestion that the government at this stage ceases to be interested in this matter.

Mr. St. Laurent: Mr. Chairman, the hon. gentleman who has just taken his seat has suggested that I owe a statement to the house. I think I do.

I think that when there is anyone in the house who implies in his speech that the members of the government are not members of the house then there is a statement due to the house to correct that impression. The hon. gentleman is a very good lawyer and the hon. gentleman realizes, as a very good lawyer, that there is a distinction between the executive branch of our constitutional set-up and the legislative branch of our constitutional set-up. It is my opinion, and in spite of anything he has said here I hope to be able to convince him so that it will be his opinion, that it is the legislative branch of our constitutional set-up that has to do with the definition of the constituencies which will send members to parliament; and that that is not one of the functions of the executive branch of our constitutional set-up.

Now, it is as a member of this house that I suggested to the hon. leader of the opposition, as a member of this house, that I felt we both wished this matter to be handled in such a way as would be fair to the Canadian public generally; and that if there came to his attention that there was something going on which he considered unfair, if he brought it to my attention, I would make it my business as a member of this house to see that the objections received consideration. They did get consideration but in the debate that has been going on here I think we must all admit there has been both in words and in implication substantial exaggeration.

Some hon. Members: Hear, hear.

Mr. St. Laurent: From the speech of the hon. leader of the opposition last night the inference would be that it is unfair that there should be any change whatsoever to the boundaries of constituencies represented in this house by members of the opposition.

Some hon. Members: Hear, hear.

Mr. St. Laurent: That is not the real position of the leader of the opposition but that would be the implication to anyone listening to his speech and to the list of unfair dispositions that were being made. I am sure that is not his position and it is not the

position of hon. gentlemen on the other side; and I am sure that it is not the feeling of hon. gentlemen in this house that the Minister of Citizenship and Immigration has not been doing his best to do a fair job—

Some hon. Members: Hear, hear.

Mr. St. Laurent: —in this report to the house.

Of course on these matters of fact there is always room for a diverging view of what is most desirable and what is not so desirable, but on the whole I am sure that all members in this house want the result to be fair to everyone concerned and these inevitable differences of views are things which I think have to be settled in this house.

I would deprecate, as I am sure the leader of the opposition would deprecate, the suggestion that redistribution should be the responsibility of leaders of political groups with an eye to political advantage or disadvantage. That is not what the leader of the opposition wants; that is not what I want. I said in the house and I repeat it now that I look upon this as something that is the responsibility of every one of us. Some of us may be members of the government but it is not as part of the executive branch that we have that responsibility, it is as members of this House of Commons. It is the responsibility of every one of us to attempt to get a fair redistribution under this system.

Now it may very well be that there should be some other system devised for a future occasion, but at the stage we have reached now the house has decided that this redistribution is going to be made in accordance with this procedure and I submit that we should get to the consideration of the details of the report that has been brought in by the committee.

Some hon. Members: Hear, hear.

Mr. St. Laurent: I would ask all the hon. members who belong to the Liberal party not to examine these different boundaries in the light of what they may do for Liberal prospects, for Conservative prospects, for C.C.F. prospects or Social Credit prospects but in the light of what they feel is the proper thing in virtue of their responsibilities to the public generally as well as to their own constituents.

I know that every one of us has friends in his constituency who help him do the work that has to be done at election time to bring out as large a vote as possible—and I think it is in the interest of good democracy that there should be as large a vote as possible. I know from my own experience that these gentlemen do not like to have a new set-up of any kind suggested to them and that each one of us feels that we have a certain responsibility to those helpers not to increase the difficulties of the task they perform directly in the interests of ourselves and indirectly in the interests of the proper functioning of democratic institutions. It is therefore natural that each one of us should say: Well, of course this is a readjustment and there has got to be a readjustment somewhere—but if it can be made without affecting my situation I shall be very much happier than if my situation is affected.

Because there has to be a readjustment some situations have to be affected. Now they should not be, and no member of this house should wish them to be affected in any way that is unfair. I said at the outset and I say now that I hope each member of the house, to whatever party he belongs, will endeavour in considering each one of these matters to render his verdict, and his conception of what is fair and what is in the public interest.

The hon. leader of the opposition did communicate with me with respect to a certain number of matters and usually he said that he was not expressing personal views but that he was passing on views that were held among those closely associated with him; and that he felt that they deserved very serious consideration. I think the hon. gentleman will admit that in most of the cases there was consideration and that the attitude which the Minister of Agriculture expressed yesterday was the attitude adopted with respect to them. The Minister of Agriculture said that the Liberal caucus in Saskatchewan had been concerned that there must not be any wiping out of the constituency represented by the leader of the C.C.F. group or of the constituency of Lake Centre because, whatever the merits might be, it would afford serious grounds for misconception by the public.

I think the hon. leader of the opposition will feel that I recognized the same situation with respect to his own constituency. There was disappointment expressed in Ottawa that there was not a change made here; but a change was not essential and I was not convinced that a change would have been an improvement. I felt that unless there was evidence that a change would be a substantial improvement it should not be made.

There are other like instances but this readjustment is bound to affect constituencies represented in the house by government supporters and represented in the house by members of the opposition. That is inevitable but I hope that we can get to the schedule. There are some cases that have been discussed—the hon. leader of the opposition says "with

great sincerity" and I admit that—but "great sincerity" or "sincerity" does not mean that they are right.

I think that when we reach each one of these individual cases they should be looked at with great sincerity by every member of the house and the right conclusion reached. The special committee that was set up has reported and is now *functus*. Each member of the committee of the whole should discharge his own personal responsibility as a member of the house in determining whether or not every part of that report should be accepted or some parts should be modified. On that, I invite all hon. members to form their own opinion, and not be influenced by what may be the opinion, honest as that opinion may be, of any member here who happens also to be a member of the executive branch under our constitutional set-up. I am going to take my stand on each one of these questions as it arises, not as the Prime Minister but as the member representing the constituency of Quebec East.

Mr. Drew: The Prime Minister has expressed an approach to this problem, Mr. Chairman, to which no hon. member can take exception in so far as that statement represents an interpretation of the kind of approach that all of us would wish to see followed once we recognize that, by the majority decision of the house, no other system of redistribution can now be adopted. On the other hand, Mr. Chairman, I feel that we must recognize the extent to which any of the hon. members, and not of the Conservative party alone, are undoubtedly strongly convinced that the approach which has been described by the Prime Minister is not the approach which has been followed in reaching these decisions.

It was because of that indication by the Prime Minister of his desire that there be an approach of this kind, that I had made the suggestion last night that there be a review by the general redistribution committee of the proposals that were made in the light of the discussion that has taken place, so that we might hope that the decisions of that committee would be in conformity with the hope expressed by the Prime Minister at the beginning and reiterated this morning, that we would be able to deal with this subject on the basis of the general interest of the people of Canada rather than the narrow interests of any particular consideration in one area or another. One of the difficulties of dealing with this problem at this stage by amendments moved in relation to each constituency as that constituency comes up is that the complaints which have been made are not of a nature that could be solved by a change in a single constituency. It would necessitate a re-examination of the general approach to this problem.

May I say to the Prime Minister that, far from suggesting at any time that there should be no change in any of the boundaries of the constituencies represented by members of the opposition, I have said exactly the opposite. I have said that in examining this subject we should do so on the basis of some agreed-upon principle which was settled by the members of the redistribution committee in advance of the decision as to what the boundaries would be. I never at any time, by inference or otherwise, left the slightest impression that I did not think the boundaries would require change. The boundaries must require change if this subject is to be dealt with satisfactorily. What I have emphasized on different occasions in my earlier remarks has been the obvious fact that old and historic ridings, represented at this time by Conservative members, have been brought together by the redistribution committee in a way that gerrymanders those constituencies, and prevents the possibility of one or two Conservative members representing the people they represented on an earlier occasion.

I have pointed out on several occasions that there seems to be a particular coincidence in the fact that there should be such an attraction to the committee in bringing together constituencies which happened to be represented by Conservative members. It was because those could have been changed, and these objections met, that I did urge that this matter go back to the committee.

I recognize, as the Prime Minister does, that this is not the first time debates of this kind have taken place. The Prime Minister has spoken of the earlier strong expressions that have been used.

Mr. St. Laurent: They have been used before.

Mr. Drew: As the Prime Minister says, he has heard them before, and *Hansard* records expressions on earlier occasions, which makes one wonder if we are becoming a particularly thin-skinned group of members when one heard some of the objections to the descriptive terms employed yesterday, which were terms that might be used at the most modest tea party. One can read the extremely violent expressions used on earlier occasions by members of the party on the opposite side, as well as by members of the parties on this side. This is a subject which, apparently, has always aroused very strong views. Undoubtedly, the views are stronger in direct relationship to the nearness of the

problem to the individual who expresses them; that is human nature and is not unreasonable.

Mr. St. Laurent: The strong expressions usually come from that side, but it is not always the same people who are over on that side.

Mr. Drew: That is quite true, Mr. Chairman, and may I assure the Prime Minister that the members on this side are not always going to be on this side—and perhaps for not very long.

Mr. Gauthier (Sudbury): They may be out altogether.

Mr. Drew: In earlier remarks, I did point out the fact that the Right Hon. William Lyon Mackenzie King had expressed the same view when he was on both sides of the house concerning another method, which I know I cannot discuss in detail at the moment. Unfortunately, when he was in the government the views he expressed, which were not contrary to those he expressed when he was in opposition, were not expressed at a time when a bill was under consideration which might have changed the procedure in a way that would have conformed with the views of many members in this house. Nevertheless, the views have been expressed on both sides of the house, by members of the Liberal party as well as by members on this side, and undoubtedly those who have sat in this house before during these debates must be reminded of those lines we learned when we were young:

> For old, unhappy, far-off things,
> And battles long ago.

There is no expression that could be used now in regard to what is taking place that could not be strengthened by quoting from *Hansard*, except that I am inclined to think if we quoted some of the things that were said by members on both sides of the house there would be an immediate appeal to the chairman, in view of some of the reactions we have seen to very much milder expressions on this occasion.

I only want to refer to the point the Prime Minister raised in his suggestion that I communicate with him. He did, as he has indicated, present certain opinions to me. I did communicate with him, but I was not presenting opinions with any idea that there should be a rigid acceptance of one point of view or another. The Prime Minister replied, and said that those would receive consideration. However, I do think I should deal with one comment of his, and that was the suggestion left in relation to the constituency that I have the honour to represent, that it was as a result of any representations of mine that there was a change in attitude in regard to that constituency. I have made inquiries from the members of the Conservative party who were on that committee, and I am told that there was never a proposal before that committee that there be a change in the boundaries of Carleton.

Mr. McIlraith: I am sure the leader of the opposition wants to be accurate on that. Early in the proceedings there was a very definite proposal put forward with respect to that constituency and it was asserted with considerable vigour, I may say, as well. There is no confusion on that point. So that there will be no confusion about it at all the effect of the proposal was not to eliminate a member, but rather to take part of the constituency which is contained within the limits of the city of Ottawa and make it into one constituency, subject to possible boundary changes which might develop, and to take the rural part of the constituency, which has some 17,000 persons in it, and put the three townships adjacent to Grenville-Dundas in with Grenville-Dundas, bringing that constituency up to some 40,000 in population, and putting the other part in with the adjacent constituency of Lanark, bringing that constituency up to some 45,000. The thing was debated at some considerable length, because there was the constituency of Danforth in Toronto which was very much under size, and the argument was being advanced by the opposition that we must not change Carleton, but we also must not change Danforth, although it was not much smaller than the section of Carleton wholly within the city of Ottawa. The matter was brought before the committee.

Mr. Fleming: As one of the members of this party on the Ontario subcommittee perhaps I should clarify this reference to the subject of any proposals for changing Ottawa, or the riding of Carleton. It is true that the hon. member who has just spoken, the hon. member for Ottawa West, who was chairman of the Ontario subcommittee on the redistribution, did touch on this question and did sketch out what would be involved in it, but never at any time did I understand that he was putting this forward as a definite proposal. I want to make that clear and I so reported to the leader of the opposition.

I think the hon. member for Ottawa West will agree that on the one or two occasions where this was mentioned in general terms his following statement was: "But I am not pressing it".

Mr. McIlraith: I must make it clear, Mr. Chairman, I never said such a thing.

Mr. Fleming: Well, certainly, if these were not the words—

Mr. McIlraith: These words were never said in the official meeting.

Mr. Fleming: That was the effect of the words uttered in the committee. One does not like to have differences of opinion between members of the committee as to what happened there. No verbatim record was kept of these meetings of the subcommittee.

Mr. McIlraith: It is obvious there was not.

Mr. Fleming: Therefore members can rely only upon their memory, Mr. Chairman, but I wish to state that my memory is quite clear on this point. On the several occasions out of I suppose maybe 15 or 20 meetings that the Ontario subcommittee had, a couple of times this subject was mentioned by one member, the hon. member for Ottawa West, and on no occasion did he give those of us who were opposition members on that subcommittee the impression that he was pressing it. As a matter of fact, his words indicated that he was not pressing it. It was a subject, he said, or an idea of representation in this part of eastern Ontario, that had been suggested not simply by Liberals but by one or two Conservatives, and on one occasion he mentioned one particular Conservative, not a member of this house or one who has ever been a member of this house, who he said was favourable to such a method of redistribution. But never were any of us who were opposition members on that Ontario subcommittee given the impression that this was being put forward as a definite proposal by the hon. member for Ottawa West.

Mr. Drew: Mr. Chairman, just so I may understand this, because naturally I am interested in it, do I understand from the chairman of the Ontario subcommittee that there was in his opinion a proposal for a change in the Carleton constituency along the lines that he mentioned?

Mr. McIlraith: I am sorry; I did not get the first part of the question.

Mr. Drew: For clarification of this matter, am I to understand that, in the opinion of the hon. member who was chairman of the Ontario subcommittee on redistribution, there was a proposal before the Ontario committee to change Carleton along the lines he suggested?

Mr. McIlraith: Yes, Mr. Chairman, there was the most definite proposal. It was one of the general questions in eastern Ontario dealt with in the earlier meetings of the committee. It was put forward right at the very first and asserted with considerable vigour, and it also involved another argument about inconsistent principles.

Mr. Drew: In view of that, Mr. Chairman, I must say that I am more concerned than ever about the procedure that has been followed. I naturally asked the members of the Conservative party who were on this committee what had taken place, and they reported exactly what the hon. member for Eglinton has reported to me. And it is rather interesting that each of the three members had exactly the same recollection of what took place. Nevertheless, taking the explanation that has been given, I do want to indicate what the implication of it is, because this raises a question that is of some importance.

Every one of us is naturally interested in what is going to take place in regard to the constituency that he represents. For that reason I was greatly interested when I read in the local press that Mr. John McDonald, who had been the Liberal candidate in the last election, had stated publicly as reported in the press that he had—

Mr. McIlraith: I wonder whether we can keep the record clear on that point. As was pointed out to the members on the committee at that time when they raised that very point in committee, the first published press items about this proposed re-arrangement of Carleton were press items relating to the Conservative convention in a new constituency of Ottawa, and the proposal that one local Conservative was to be the candidate in that area, and then the usual news speculation about where the sitting member for Carleton would run. That is the first large press item on that, and the McDonald press item which I saw, and which caused the leader of the opposition a great deal of displeasure—

Mr. Drew: No.

Mr. McIlraith: —came days after the earlier one.

Mr. Drew: The hon. member's memory of events is strangely confused, and may I assure him that the McDonald statement caused me no displeasure but a great deal of pleasure, because it explained to me what was taking place, which is now confirmed by the hon. member who has just spoken.

I was very interested when I read in the press that Mr. McDonald had stated to a Liberal executive meeting—

Mr. McIlraith: Annual meeting.

Mr. Drew: —locally that he had seen a plan and that he was able to inform them therefore what was contemplated in regard to the Carleton constituency. On seeing this I wrote to the Prime Minister, and I think I should place on record the letter I wrote to him:

Ottawa, May 9, 1952

Rt. Hon. Louis S. St. Laurent, Q.C., LL.D., M.P.,
Prime Minister of Canada,
East Block,
Ottawa.

Dear Mr. St. Laurent:

You asked me to inform you of any matter connected with redistribution which I might think should be called to your attention. For that reason I am now placing before you something which could have far-reaching implications.

On more than one occasion Mr. John McDonald, who was a candidate in the Carleton constituency in the last election, has stated publicly that certain townships of Carleton county are to be transferred to adjoining constituencies.

I do not propose to comment at the moment about any proposed dismemberment of historic constituencies for what would appear to be a somewhat obvious purpose. What I am now calling to your attention is the implication which must be drawn from Mr. McDonald's statement if it should prove that what he said is correct.

Members of the redistribution committee have asked the chairman for any tentative plans which may have been drafted as a basis for discussion. They have been informed that none exist. You will realize that far more serious than any question as to whether certain changes should or should not be made is the implication in Mr. McDonald's statement that information which is being denied to members of parliament who have been appointed to the redistribution committee is being handed out to those who have no connection with the committee or with parliament. Mr. McDonald made his statement so definitely that very naturally the matter has been drawn to my attention by members of the committee who are astonished that they should on the one hand be told by the chairman of the committee that no plans exist, while at the same time they read in the press reports of definite statements regarding plans which are said to have been communicated to others than members of parliament.

I trust that you can assure me that Mr. McDonald's statements were made without any authority or foundation in fact, so that I may assure the members of the committee who have brought this to my attention that they are not being asked to sit on a committee for which the decisions have already been made.

I read that now because I was not in that letter discussing the merits or otherwise of any change. But I made it clear that what I was discussing was the suggestion that those not even connected with parliament were in a position to say what was going to be done, and that they had information which was being denied the members of the committee. That was the point I made, and that is a point, I suggest now, which does raise a question in the mind of everyone here.

I would point out that it would have been a very interesting thing if that suggestion had been carried out, because that would have meant the joining of two of the rural areas of Carleton with Lanark, providing the breaking up of the constituencies in a way which again would have presented a choice to two Conservative members of the House of Commons as to which one was going to continue to represent the seat.

Mr. McIlraith: You represent city people too, do you not?

Mr. Drew: It is situations of that kind which do raise the question in our minds and which have prompted the suggestion that even at this stage the whole subject be referred back to the committee on redistribution, with the thought that, as the result of discussions that have taken place here, they might possibly be able to recommend some amendments which would obviate some of the particular criticisms which have been directed to the decisions made.

I most certainly agree that the Prime Minister on that occasion wrote to me indicating that he had passed on my letter for consideration. I raise that now for no reason other than that of supporting my argument that if, as the Minister of Citizenship and Immigration has said, he is prepared to consider individual amendments that might be put forward here, it would be much better if the redistribution committee met as a whole, and that these subjects be discussed with some elasticity and some opportunity for general readjustment, rather than simply dealing with rigid amendments which could only be made to a fixed basic decision that is reached in the house through the discussion of the schedules of the bill. It was with that thought in mind that I made the proposal, and that I do so now, in all seriousness, with a desire to avoid the kind of debate to which the Prime Minister referred.

Mr. Coldwell: Mr. Chairman, let me say at once that what I may say now has not been occasioned by anything the Prime Minister has said, or anything said in the house today. When I heard the Minister of Agriculture speak yesterday I was rather surprised to learn that special consideration had been given to the constituency of Rosetown-Biggar.

I want to say now, and I hope all members will take notice, that even to members of my own party, at no time did I make any suggestion that any special consideration should be given to my constituency. Let me put on record what the Minister of Agriculture said yesterday. These are his words as they appear at pages 4042 and 4043 of *Hansard:*

The hon. member for Rosetown-Biggar says that if the matter had been referred to a commission there would have been quite a different map. I

agree that there would have been, and his seat would not have been in it.

There would have been no constituency of Rosetown-Biggar running down south of the river. There could not have been enough population obtained to put a seat there at all unless it did run south of the river because of the very situation outlined a few moments ago by the hon. member for Lake Centre, namely, that is a part of the province that is going down in population and going down very rapidly. Because it is a part of the province that is going down very rapidly and because of the fact that two additional seats had been put into Saskatchewan largely because of the difficulty that would have been involved in trying to make an adjustment of 25 per cent in population with relation to the population in other provinces in any one redistribution, we were given special consideration. I think we treated that special consideration in the manner in which it was intended to be treated by leaving the constituency of Rosetown-Biggar there with the result that the leader of that party does not have to contest the seat with any other member of the house.

And then this paragraph:

That was the first consideration and the committee acted upon it. If anyone wants to know what the opinion of the Saskatchewan caucus was on that question that was their opinion. The committee of three appointed by that caucus was definitely instructed that there had to be a seat of Rosetown-Biggar when the map was drawn no matter how it was drawn and that it had to remain there because of the special consideration we had been given.

I am sure the people in Rosetown-Biggar constituency will be very glad indeed that that constituency is to be preserved, and I am very happy indeed that I may be able, I hope, to retain my association with Rosetown-Biggar as long as I am a member of the house—which I hope will still be some considerable time. But I wish to say frankly that if the preservation of the constituency for which I sit has given rise to any injustices or great difficulties in other parts of that province, I regret very much that that consideration has been given.

In my opinion it is not the individual who should be considered in connection with a redistribution; it is the constituents. As I say, I am very happy that this consideration was given to my electors, and I say "Thank you" to members of the committee for it; but at the same time I think it is wrong to decide it that way. Had the constituency of Rosetown-Biggar been taken out, and had the population in that constituency been divided, undoubtedly, had I been invited to do so, I would have been happy to accept nomination in that part of the province where the bulk of the constituency was to be placed; or, indeed, I might even have considered accepting an invitation, if it were tendered to me, to run elsewhere in the province of Saskatchewan.

But I wish to be perfectly clear about this, that at no time either to my own colleagues on that committee, or to any other person, did I suggest that, if the redistribution presented difficulties, then at all costs Rosetown-Biggar should be preserved. And I see the chairman of the committee agrees with that, completely. That is a fact, and I wish to make it clear.

But even at this late stage, if reconsideration is to be given, and although I would regret exceedingly if Rosetown-Biggar were to be changed in any way from what it is, as well as the name of it, if justice demands that it should be done, then I wish hon. members to know that I am not standing in the way of doing justice in the matter.

Mr. Gardiner: Mr. Chairman, I just wish to say that the remarks of the hon. member for Rosetown-Biggar are absolutely correct. He did not make any representation, nor did anyone make any representations on his behalf so far as I know, in connection with the matter. It was simply dealt with as I have described.

Mr. Fleming: I have one or two comments to make arising out of the statement the Prime Minister made this morning. I am glad he has spoken on the subject. I indicated when I spoke earlier that I thought the Prime Minister should speak to the house, and I am glad he has.

He has not been in the house very much during the course of the debate.

Mr. St. Laurent: I have read all the debates.

Mr. Fleming: I would expect that. Therefore I think I should tell the Prime Minister that he has quite misapprehended the position taken not only by the leader of the opposition but by other members of this party who have spoken in connection with the schedule. So far as I am aware, there never was any suggestion from any member of the opposition who has participated in the debate that under no circumstances should the changing of seats affect Progressive Conservative members. On the contrary, member after member has recognized the fact that there is nothing static about conditions; that changes have to be made in constituency boundaries to meet changes in population; that there may be decreases or increases or shifts here and there.

I wish to say to the Prime Minister that in every case in the subcommittees, as well as in the house, where a particular change proposed by his party majority in the committee was made, which was unacceptable to the opposition, an alternative was proposed on behalf of the opposition in the committee. In every one of the cases that have been most acutely disputed in the course of this debate the opposition offered an alternative that

would have adhered much more closely to principle and which was not dictated merely by personal considerations.

Then in regard to the point mentioned by the Prime Minister as to the government's responsibility in connection with this bill and schedule: Mr. Chairman, this is a government bill introduced on behalf of the government by a minister of the government. During the course of the debate it has been supported by ministers of the government. Let there be no misunderstanding, it is a government measure.

Mr. Harris (Grey-Bruce): Recommended unanimously by the committee.

Mr. Fleming: What was recommended?

Mr. Harris (Grey-Bruce): The bill.

Mr. Fleming: Not the schedule.

Mr. Harris (Grey-Bruce): We are speaking of the bill.

Mr. Fleming: I am speaking of the bill with the schedule. Surely we are not going to have a fine line drawn there. The government introduced the bill in the first place and proposed setting up a committee. At the moment what appears on the order paper under item No. 4 is this:

House again in the committee of the whole on Bill No. 393, an act to readjust the representation in the House of Commons. (As amended).

That stands in the name of the Minister of Citizenship and Immigration. It is a government bill.

Quite apart from a question of that kind, surely we are not so naïve as to think that Liberal members of this house are going to do anything when they come to vote that is at variance with what has been indicated to be the view of the government in regard to these boundaries.

Let us look realistically at the situation in which the house finds itself at the present time. Every situation related to a province that has emerged from the recommendations of the subcommittee on redistribution for that province has been supported by government ministers. Here we have a government minister sponsoring the bill and the schedule. Surely in the face of that it is apparent to everyone who knows the strength of the discipline of the government party in this house that the only way in which this situation can be dealt with realistically and effectively is to follow the method adopted in connection with the redistribution following the 1931 census. At that time after several days' debate in the house the then leader of the opposition, the late Mr. King, who had led the attack on the redistribution, made the suggestion that the matter be made the subject of consultation in the house with a view to ironing out and adjusting the proposals that had been the object of attack in the house.

What other expedient will realistically meet the situation in which the house finds itself at the present time? Surely the people of this country are entitled to expect that we will face this situation realistically, and that we will not be led into a course of action based upon the assumption that Liberal members are not going to support the view declared by government ministers in connection with this measure.

The Prime Minister said that the committee was *functus*, but I must disagree with him on that. When the committee rose last Saturday night at about 9.30 o'clock the minister, who was chairman of the committee, said, "Do not go away, you may still be called together; the committee is not discharged." He then added, "If the house refers any matter back to the committee we will have to meet again." Therefore I am afraid that the Prime Minister and the Minister of Citizenship and Immigration are at odds in their views as to the present status of the committee.

There is another aspect so far as reference back to the committee is concerned. I do not know that there is much to be expected from that unless the main committee addresses itself to this subject in a manner different from the way in which it has hitherto. In view of the fact that this is a government bill it seems to me that a much more sensible suggestion would be to hold conferences, as was the case, I believe, in 1933.

However, if either of those alternatives, namely, a conference or reference to the committee, is not acceptable to the government, there is a third possibility. This matter should stand until the public has had more opportunity to consider the subject, bearing in mind the fact that the final report of the committee on redistribution came to this house last Saturday and the details of the riding boundaries were not available until Monday morning, June 30.

The public has an interest in this, probably a greater concern than the concern of anybody in this house or indeed of all members of this house combined. It seems to me that the public has had the least consideration in the way in which this has been dealt with in the house. Is it not fair and proper that this matter should stand until the people of this country have had an opportunity, which they have not had hitherto, of studying this question and expressing their views upon it?

I am satisfied that if the bill stands, as it is my submission it ought to stand, until the house reconvenes on November 20, some members will come back with very definite instructions from their constituents which may have the effect of changing their views in regard to the schedule of this bill.

It is obvious that in that way and in that way alone are the views of government members going to be changed, unless the government itself decides on the course suggested, namely, that there should be conferences. It seems to me that that would be the sensible course to follow. The house is always under criticism when it appears to the public to be acting precipitately to serve some other motives than the due discharge of public business. We have seen that time and again. The impression created sometimes is fair and sometimes it is not fair, but the fact of the matter is that on this occasion when the details of the proposals were available only on Monday morning of this week, June 30, the public is unquestionably and inevitably going to come to the conclusion that this has been jammed through the house by the government majority.

What could be fairer under those circumstances than that the public should have ample opportunity to review this matter and to make the views of the public known to members who are going to have to take the responsibility eventually of voting on the schedule and the bill?

Mr. Abbott: The public do not care; it is only the members who care.

Mr. Mutch: The hon. gentleman is overestimating public interest in what goes on here.

Mr. Fleming: That is a most significant statement. The Minister of Finance says that the public does not care and the parliamentary assistant—

Some hon. Members: No.

Mr. Fleming: Yes, he did; he certainly did.

Mr. McIlraith: No, he did not.

Mr. Fleming: The Minister of Finance said that the public does not care and members on this side of the house besides myself heard him say it right now.

Mr. Abbott: The public does not care about this discussion, it is only interested in the result.

Mr. Fleming: The Minister of Finance is trying to change it. The fact is that the minister said the public does not care and the parliamentary assistant to the Minister of Veterans Affairs said that the public takes—words to this effect—very little interest in what goes on in the house.

Mr. Mutch: On a question of privilege, I said nothing of the sort. What I said was that the hon. member overestimated the attention the public paid to what he said.

Mr. Fleming: No, no.

Mr. Mutch: Oh, yes.

Mr. Fleming: That is not what the hon. member said. He said we overestimated the attention paid to what goes on in this house. He did not tie it down to me at all.

Mr. Mutch: You were doing the talking.

Mr. Fleming: He said we overestimated the interest of the public.

Mr. Mutch: Leave it to *Hansard.*

The Chairman: Order.

Mr. Fleming: In these two significant comments you have what it seems to me is a very complete exposure of the attitude of the government in this matter. What could be more plain? The Minister of Finance takes the attitude that the public does not care.

Mr. Abbott: No, Mr. Chairman. What I said was that members are more interested in their self-preservation than the public.

Mr. Fleming: That is an afterthought. That was not the first statement of the Minister of Finance. The first statement of the Minister of Finance was that the public does not care.

Mr. Stuart (Charlotte): Easy now.

Mr. Fleming: That statement is not going to be changed. I repeat that the statement of the Minister of Finance was that the public does not care.

Mr. Mutch: That is what you say.

Mr. Fleming: That was said just as plainly as it could be. The Minister of Finance may feel unhappy now that he made it.

Mr. Abbott: He does not feel the slightest bit unhappy.

Mr. Fleming: He may feel unhappy that he made a confession of his attitude and the attitude of the government. He may feel uneasy about it.

Mr. Abbott: Not the slightest.

An hon. Member: Where do you think you are, on a county council?

Mr. Fleming: That statement is completely significant. We have the attitude of the government clearly exposed. They say that the public does not care and that it is a

matter for us in the house. Whether or not the public understand the unfortunate loss of time—

Mr. Abbott: Take all the time you like. Don't hurry.

Mr. Mutch: The hon. gentleman is showing more imagination than he ever did before.

Mr. Abbott: I merely indicated that the public were not interested in my hon. friend's remarks.

Mr. Fleming: See how the Minister of Finance is squirming.

Some hon. Members: Oh, oh.

Mr. Fleming: He would give his eyeteeth right now to be able to take back that statement.

Mr. Gardiner: You ought to be practising law in a police court.

Mr. Fleming: The fact remains that the Minister of Finance said that the public does not care. That is his estimate of the attitude of the public—

Mr. Abbott: And the hon. member for Eglinton.

Mr. Fleming: —and the degree of concern of the public as to the responsibility of the representatives the people elect to represent them in this sovereign House of Commons.

Mr. Mutch: Public votes do that.

Mr. Abbott: They do that by their votes.

Mr. Fleming: That is the view of the Minister of Finance. Those of us who sit in the opposition have a very different conception of the responsibility this house owes to the people.

Some hon. Members: Oh, oh.

Mr. Fleming: In our view the people are supreme.

Mr. Mutch: Would it be unparliamentary to say "nuts"?

Mr. Fleming: The people should have the final authority in this matter.

Mr. Laing: They will.

Mr. Stuart (Charlotte): Did you have the same view in 1933?

Mr. Fleming: No one will find that out sooner than the hon. member for Vancouver South. I want to say—

Mr. Mutch: Must you?

Mr. Fleming: —that under these conditions, particularly in view of the startling confession by the Minister of Finance—

An hon. Member: Sing it to music.

[Mr. Fleming.]

Mr. Fleming: —that there can be no excuse for or palliation of what the government now proposes to do in rushing this through—

An hon. Member: Who is rushing?

Mr. Fleming: —before the public has a chance to fully understand and realize what is being done here in the way of gerrymandering, "jimmymandering" and all the other kinds of mandering being perpetrated by the government.

Mr. Fulton: Mr. Chairman, I think there are one or two comments that should be added to what has been said by the hon. member for Eglinton. It is interesting to observe that this debate is serving the very useful purpose—

An hon. Member: It isn't a debate.

Mr. Fulton: —of revealing clearly for the first time the attitude of the government toward this whole program—toward what is being done, and toward the public and the House of Commons of Canada. I know my hon. friends on the government side of the house do not like us to take any time.

Mr. Stuart (Charlotte): We are not complaining.

Mr. Mutch: Take all you want, chum.

Mr. Fulton: They are always worried lest by inadvertence some remarks will slip out from them, as has happened now, showing what the attitude of the government really is. That is why they like to have things hurried through. That is why they shout so loudly when any hon. member gets up to express a view which does not happen to coincide with their own.

I was interested in the statement made by the Prime Minister about half an hour ago. In the principles which he then enunciated as to how redistribution should be carried on within the confines of this present system he put the matter on a very high plane, and I am quite sure that hon. members would agree that that is the way it should be done, if it is to be done by this method.

Unfortunately what has actually happened to date indicates that the Prime Minister is moving in a world of fantasy, quite removed from the reality of what his government is doing with respect to the very proposal now before the house, and quite removed from reality with respect to what his followers in the Liberal party are attempting to do. What has happened makes it quite clear that the matter has not been handled in accordance with the principles which the Prime Minister once more repeated this morning.

We heard from the leader of the opposition for the first time this morning what had in

fact been attempted with respect to the constituency of Carleton. Instead of these matters being settled by members of parliament of all parties in the house, acting as representatives of the people throughout the country and approaching the subject impartially by way of informal discussions between themselves, so that at all stages all shades of opinion could be heard on the question of how these maps are to be made up, they have rather been decided in secret behind closed doors, and have been decided with definite finality by one group in the house.

The results were then presented to the rest of the members of the subcommittees by which time it was quite impossible to have any substantial changes effected in the maps. What would have happened in the case of Carleton—

Mr. McIlraith: Read what the former Conservative member for Carleton said in 1946 and 1947.

Mr. Fulton: —was only forestalled because the chairman of the Ontario committee, who is now interrupting, then following his usual practice of saying things out of time and out of place, let slip to the candidate for the Liberal party in the 1949 election what was proposed with respect to Carleton and that gentleman in turn, speaking out of time and out of place, let it slip to the press. The whole plan of what was proposed to be done was prematurely revealed and a withdrawal was forced in that case.

Mr. Mutch: By whom?

Mr. Fulton: It is surprising to find that the Prime Minister should have so little knowledge of what is actually being done by his own followers, not only private members of his party but also by cabinet ministers, as to suggest that the principles he outlined have even the faintest resemblance to the reality of what has taken place.

Mr. Mutch: Would it be unparliamentary to suggest that that is an impudent suggestion?

Mr. Fulton: What came out this morning with respect to Carleton was not an isolated instance. We know very well that the same thing took place in practically every subcommittee at the instance of the Liberal members on those subcommittees. That was the case in the province of Manitoba. You will remember that it was necessary for the hon. member for Winnipeg North Centre to rise on a question of privilege and to point out that a map, with the boundaries of constituencies clearly drawn, had appeared in the Winnipeg papers, and particularly to emphasize that the report accompanying the map to the effect that it had been approved by the Manitoba subcommittee was in fact inaccurate, and that the members of the Manitoba subcommittee, other than the Liberals, had never even seen that map or discussed the details of what was proposed.

Mr. Chairman, it is to move in a world of fantasy to suggest that these maps and reports were not inspired by the Liberal members of the subcommittee; because the maps bear too close a resemblance to the maps finally produced for any other conclusion to be drawn. We found the same sort of thing in the province of British Columbia, particularly when the hon. member for Vancouver South was the chairman of the subcommittee, when a map in detail of the new proposed riding was reproduced in the Vancouver papers before the details of it had ever been discussed with opposition members of the subcommittee. The same thing is true with respect to the constituency of Carleton and particularly does that also apply to the province of Saskatchewan.

Mr. Laing: On a point of privilege, Mr. Chairman, the member has stated that an indication was given to the press of Vancouver indicating the territories before the matter was ever discussed with opposition members of the committee.

Mr. Fulton: Before the detail of the proposal was ever discussed, I said.

Mr. Laing: Well, in this case particularly I want to deal with this matter—

Mr. Fulton: It is not privilege that the hon. member raises.

Some hon. Members: Yes, yes.

The Chairman: Order. The point raised by the hon. member for Vancouver South is not a matter of privilege according to the rules. If the hon. member wishes that the statement be made the hon. member for Vancouver South must ask the permission of the hon. member for Kamloops.

Mr. Martin: Mr. Chairman, surely the point taken by the member for Vancouver South is a valid one. This is a reflection on his character and he is seeking to answer it. I submit, Mr. Chairman, with great respect that he ought to be given an opportunity of answering an attack which by implication is an attack on his character.

The Chairman: The hon. member for Vancouver South is not going to be denied the right of having on the record his interpretation of what took place. The question is when should that be done and how should it be done. The hon. member for Vancouver South chooses to have it done by way of

raising a question of privilege. I followed what the hon. member for Kamloops said and I would say that it is a borderline case. It is very difficult perhaps on this occasion not to recognize that there might be some privilege in what the hon. member is complaining about; but on the other hand it is so much easier when the member who has the floor is asked for his consent. Normally, according to my experience, members give way and resume their seats, letting an hon. member correct part of a speech by an hon. gentleman who has had the floor. Perhaps the hon. member for Kamloops would care to resume his seat and the question will be settled.

Mr. Fulton: If the hon. member says I have been incorrect as to the facts and wishes an opportunity to correct me I will gladly give him the floor; but I do not think it should be done by way of privilege.

Mr. Laing: That is my purpose. When I was chairman of the committee I met as individuals all members of the house from the province of British Columbia, including opposition members. I had a discussion with the hon. member for Vancouver East; I had a discussion with the hon. member for Nanaimo; and I had a discussion with the hon. member for Kamloops. I must say that I was very disappointed to find out the manner in which he treated that interview which was of a private nature without being so regarded by him. He wrote me a three-page letter and sent copies of that letter to the Vancouver papers. That is not the way in which I would have acted.

Mr. Fulton: After you had already published the map.

Mr. Laing: I had published no map.

Mr. Fulton: The Vancouver papers published the map you gave them.

Mr. Laing: I think the hon. member for Kamloops will agree with me or at least take the statement that I published no map. I endeavoured to work with the members and get their views. I had the views of the hon. member for Vancouver East and the hon. member for Nanaimo and I am going to say that their views were of great value to me. I think they were in substantial agreement with the proposals that we made at that time. As a matter of fact, at the interview that I had with the hon. member for Kamloops, which I considered to be of a private nature and which he has made public, he was not greatly critical at that time of the views expressed—not until he wrote the three-page letter and sent copies to the press.

[The Chairman.]

Mr. Fulton: The hon. member has made a statement which conveniently omitted certain details which are not pleasing to him. Certainly we had an interview at which general proposals were discussed. I did not, as the hon. member has claimed, release the details of that interview to the press although, for reasons which I will indicate in a moment, I think I would have been quite entitled to do so. No details of the proposed riding boundaries were discussed at that interview. There were outlined general areas within which new ridings would be located along the lines of what is now being done, including one seat for the city of Vancouver. This can be verified by the member for Vancouver-Quadra. No details with respect to where or how that seat would be fitted into the city of Vancouver were discussed at that time. Shortly after that reports appeared in the Vancouver papers discussing in detail the proposals for the new riding in Vancouver city and giving an outline of just how it was proposed to fit that riding in. Those reports appeared in both Vancouver papers.

The details had not been discussed with me although I was a member of the subcommittee. I know that they had not been discussed with the member for Vancouver-Quadra who is a Vancouver member although not a member of the subcommittee; and the details then published were quite different from anything which either of us had been led to suspect would be the way in which the extra seat would be fitted into the city of Vancouver. The report appearing in the press carried the implication, if not the definite statement, that these plans had been discussed with and were pretty well approved by the British Columbia subcommittee. It was as a result of these press reports which were different from my understanding—of the details as a result of interviews with the hon. member—that I thought it well at that point to reduce to writing, so I might have it on the record, my view of how redistribution should be carried out in British Columbia.

I wrote the letter to the hon. member on a Friday. At that time he was away and I was unable to locate him. I am not trying to suggest anything improper there because a lot of other members were away at that time, on a visit organized for members of parliament. It so happened that he was not here and I let the matter rest over the week end. On Monday, without any apology—and I make no apology for it now—in view of the fact that these details he had furnished to the press had already appeared in the Vancouver papers, and in view of the fact that he was not here and that the letter had been available to him

for three days, and as these published reports were circulating, I felt quite entitled to release my views to the press and I did so. I have no apology for so doing. It was made perfectly clear in my letter that I was expressing my personal view. There was no suggestion in my letter, as there had been in the press reports, nor any implication that it represented the views of the subcommittee—when as a matter of fact the details referred to in the press had not been discussed with the subcommittee.

Mr. Laing: The hon. member for Vancouver-Quadra, contrary to your statement, had been consulted.

Mr. Fulton: I will let the hon. member for Vancouver-Quadra speak for himself. My understanding, however, is that the hon. member for Vancouver South had spoken to him about the inclusion of the extra seat in Vancouver but, from my conversation with the hon. member for Vancouver-Quadra when the press report to which I have referred appeared, I was certainly advised and am under the firm impression that the details appearing there concerning that seat were as much of a surprise to the member for Vancouver-Quadra as they were to myself. I may say the detail of what appeared there was quite contrary to the understanding either of us had at that time. I believe there is further evidence that the report in the press did not conform to any understanding we had been given, Mr. Chairman, when I tell you that the riding as now fitted into the city of Vancouver, with the consent of the British Columbia subcommittee, is entirely different from the proposal which appeared in the press during the time when the member for Vancouver South was chairman of the subcommittee. That is additional evidence of the proposition that his proposal was not acceptable, and it certainly would have been so indicated to him had we had any details of it. We had no details, beyond a general understanding that a new riding was to be fitted into the city of Vancouver.

I have referred to this incident as another illustration of the fact that this matter is being handled in a manner quite contrary to the high principles which the Prime Minister outlined to us this morning. In no case has this been more clearly illustrated than in what took place in Saskatchewan. Although we were told a map was being drawn which would contain the boundaries of the new constituencies, no member of the subcommittee, other than the Liberal members, was allowed to take part in any discussions or negotiations while that process was going on.

Mr. Boucher: The hon. member for Lake Centre was asked to draw a map.

Mr. Fulton: I am referring to the discussion which took place while the map which was finally presented was being drawn. I have told the house before, and I repeat it, that while I was a member of the Saskatchewan subcommittee I asked to be allowed at least to see the proposed boundaries, even if I were not allowed to take part in the discussion.

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

Mr. Fulton: I was told that I could not see the map until 12.30 on Monday, at which time the map, as finally presented, was first shown to us.

Mr. Dewar: You agree in substance with most of what the hon. member for Eglinton says?

Mr. Abbott: There is a big order.

Mr. Fulton: Do I agree in substance—

Mr. Dewar: —with what he usually says? This morning, the hon. member for Eglinton—

The Chairman: Order.

Mr. Fulton: While I have the greatest respect for my colleague the hon. member for Eglinton, I do think the hon. member who is asking the question should be a little more specific and tell me to what he refers.

Mr. Dewar: This morning the hon. member for Eglinton suggested that, in the Ontario subcommittee, each time a proposal for amendment or change was offered by the members on the government side they offered a counter-proposal. I can tell this house or anyone else that at no time were we offered any counter-proposals by the member for Lake Centre or anyone else in the opposition parties.

Mr. Fulton: I just got through explaining, but perhaps I should explain it again—

Some hon. Members: No, no; once is enough.

Mr. Fulton: —that during the period when I had anything to do with it, and that is the only period about which I can speak with any certainty, I asked to be allowed to take part in the discussion and make counter-proposals on behalf of the member for Lake Centre, but I was not allowed to be present when the matter was being discussed. I was told by the chairman of the subcommittee that I could not see the map until 12.30 on Monday when it would be ready in final form. What is the use of the hon. member—

Mr. Gardiner: The map was not in existence then.

Mr. Fulton: —stating that there were no counter-proposals when a member who had

asked to see the map, and be allowed to take part in the discussions during the preparation of that map, was told that he could not see the map? And proposals were offered by the hon. member in the committee.

Mr. Dewar: You cannot honestly state—

Mr. Fulton: Could anything be further removed from the high principles outlined by the Prime Minister this morning, that all members of the house, as representatives of the public, should take part in the discussions, removed entirely from the plane of political considerations, so that the maps of the constituencies of Canada might be drawn in the best interests of the people? It is too bad that the Prime Minister did not get the members of his own party into a conference and lay down the law to them in accordance with the same statements of principle which he gave to the house this morning. It is too bad that, having done that, he did not also insist upon his own followers following the principles he had laid down with the same rigidity with which they have followed instead the principles of political advantage.

Mr. Ferrie: May I ask the hon. member a question? Will he kindly tell us what political advantage could be gained in the province of Saskatchewan by any party?

Mr. Fulton: The matter has been discussed here for the best part of three days now, and if the hon. member has not proven capable of absorbing what he has heard during that time I have no illusions that, within the space of two or three minutes, I could make any improvement on the situation.

Mr. Drew: The Minister of Citizenship and Immigration was obviously misinformed when he made the statement he did this morning concerning the opinions which had been expressed at Westminster about the commission. For that reason, I propose to read into the record what did take place, because it has a bearing on what we are now discussing. Since it will take some minutes to do so, I would suggest, Mr. Chairman, that we now call it one o'clock.

Some hon. Members: No.

Mr. Drew: If the members are impatient, I shall read until one o'clock.

The Chairman: Is it the wish of hon. members that I do call it one o'clock or do hon. members wish to allow the leader of the opposition to continue past one o'clock?

Mr. Drew: I do not propose to read past one o'clock. We have the ordinary hours, and I propose to respect them. If hon. members do not wish it to be called one o'clock, I shall read until one o'clock.

[Mr. Fulton.]

Some hon. Members: One o'clock.

The Chairman: My understanding of the situation is that, since it was one minute to one o'clock and the leader of the opposition indicated that his statement would take several minutes, hon. members were giving him their consent to sit past one o'clock. If it is not the wish of the leader of the opposition to continue making his statement past one o'clock, it being one o'clock I do leave the chair.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. Macdonnell (Greenwood): I had better say that I am acting as a pinch hitter, Mr. Chairman. It is not often that a pinch hitter has so little to do.

Mr. Croll: And does it so well.

Mr. Drew: One of the things which have been so conspicuous in the discussion of this subject has been the fact that, as we read the records of the discussion in regard to redistribution, we find that on each occasion that this subject is brought up again there is reference back to what has been said on earlier occasions. I am sure that will be true in the future. I hope that while many members may think that more is said than may be necessary, there will be assistance to future members of this house in some of the things that have been said, because this discussion will take place. Perhaps because the government may have been misled by some statements that they may have misapprehended, I do not think I should let pass an extraordinary misinterpretation placed before the committee this morning by the Minister of Citizenship and Immigration.

In fact I question whether there ever has been a case in this committee where a quotation has been used which more clearly gave the opposite effect to what was put upon it by the member who quoted it. This morning, in referring to the different proposals that have been made, the Minister of Citizenship and Immigration, who has acted as chairman of the redistribution committee, spoke about the views that had been expressed by members on the opposite side of the house from him. He said:

> Hon. members opposite have spoken in the most glowing terms about the success of what has been achieved in the United Kingdom and in other commonwealth countries. I am just hesitating to ask whether they read the debates of any of the legislatures to which they referred, for if they had I am sure they would not have made the statements they did make.

Now, the minister need not have hesitated, because I for one would have told him that I had; and it was for that reason that I immediately sent for a copy of *Hansard* when he used the quotation that he did, because I knew that it did not interpret what had taken place. He went on to say:

I am not going to give many opinions, but I am going to place on record one opinion, and then I shall say no more on this point. That is the opinion of the leader of the Conservative party in the United Kingdom, a gentleman who is held in the highest regard in this House of Commons, and whose words I have no doubt are frequently quoted by hon. members opposite. This is what he had to say with respect to a bill introduced by the government following the boundary commission report in the United Kingdom.

Then he went on to quote from *Hansard* and he quoted accurately in part from the statement made by Mr. Churchill in the House of Commons in London in 1948, and these were the words he quoted:

This bill is based on no principle except that of party advantage and has no sanction behind it except the party majority, obtained on false pretences and with an electorate utterly disproportionate to the results produced in the House of Commons.

The quotation was left there with the impression that this system, to which we have referred with approval, in the United Kingdom and in other commonwealth countries had been condemned, and that it was in relation to that system that Mr. Churchill was speaking of the bill being based on no principle, and that it had nothing behind it except party advantage.

Let us see exactly what Mr. Churchill did say. He was dealing with something entirely different. He was speaking about a bill which had been introduced by the government, and that bill was dealing with a number of matters which went beyond the recommendations of the boundary commission; and it was those recommendations beyond the recommendations of the boundary commission that he was criticizing in such severe terms. It dealt with matters outside of the recommendation of the boundary commission, and in fact what Mr. Churchill was criticizing was that it had disregarded the recommendations of the boundary commission. Let me read one quotation from column 3029 of *Hansard* of the British House of Commons for March 24, 1948. There is a remarkable appropriateness to the words. This is what Mr. Churchill had to say:

If hon. members opposite think that they are going to knock us about to get their dirty racket through they are very much mistaken. Why was this information withheld? The boundary commission had nothing to do with it.

May I underline the words "the boundary commission had nothing to do with it." It was not the boundary commission he was criticizing; it was this bill that disregarded the recommendations of the boundary commission, and which carried out what Mr. Churchill described as a dirty racket. I can imagine how quickly there would have been a demand for a retraction here if this had been described as a dirty racket; but if one examines it, one will find that perhaps there would be less reasons for strong terms there than there are here in some instances.

Then we come to that part of *Hansard* which does contain the words quoted, and I am going to quote just a little longer to show how dangerous it is to take a truncated statement and use it as an argument to convey an impression entirely opposite to the impression which should have been conveyed. I am quoting now from column 3042 of British *Hansard*. Let me read what Mr. Churchill had to say:

The commission had done their work.

Remember, this quotation was used for the purpose of conveying the impression that this commission had not been satisfactory. Mr. Churchill was being put forward as a witness to the fact that the commission is not satisfactory. This is what he said, and I quote:

The commission had done their work. They had given their verdict fairly and impartially upon the basis prescribed by the government, and in accordance with the agreement between the parties at the Speaker's conference.

Now that the commission has discharged its primary task and placed its conclusions before us, and the government proceed to make further changes in the measure which they themselves take the responsibility for bringing before the house in accordance with the recommendations of the boundary commission, the last pretence of impartiality and fair dealing between parties is swept away. We are to have a redistribution bill—and I am glad that my words will go out, as they will do, far and wide throughout this country—which is deliberately based on no principle except that of party advantage, and which has no sanction behind it except the party majority, obtained on false pretences and with an electorate utterly disproportionate to the results produced in the House of Commons.

Then, let me quote a little further, because after all they were dealing with a similar problem, and since the Minister of Citizenship and Immigration has quoted Mr. Churchill, let me quote what he had to say about this manner of dealing with a matter of this kind.

An hon. Member: What has that got to do with it?

Mr. Drew: I cannot help paying attention to a comment I heard from one of the Liberal members, "what has that got to do with it?" Apparently when a quotation which gave the wrong impression was given by the minister

it met with approval, because the very member who has now made that statement applauded with great satisfaction when the minister gave a quotation which he had thought was a demonstration that there was no satisfaction with the commission system in Britain.

Mr. McIlraith: He was not here when the statement was made this morning.

Mr. Drew: I am reading from the very speech to which the Minister of Citizenship and Immigration has referred. I quote from column 3045 of the same British *Hansard* record for March 24, 1948:

> Anyone can see from what has already happened the spirit in which this process will be conducted and the object at which it aims. It is one which we are familiar with on the continent of Europe, in countries where the communists have established their totalitarian rule, where the Minister of the Interior shapes the constituencies in accordance with his own party interests, after taking such advice as he thinks fit.
>
> If ever there was a time to avoid the adoption of such continental methods over here, it is surely now, when the arbitrary regulation of voting and the shaping of constituencies, in order to secure the permanent domination of the party in power, is one of the principal objections we are raising to the totalitarian system in all its forms.

Now I have placed these quotations on record, first of all to remove any suggestion that the statement that Mr. Churchill made was a statement intended to condemn the commission system. It was a statement intended to condemn the very kind of thing that is being done right now. And when he uses the terms that he has used, and describes methods of that kind as a dirty racket, I am quite prepared to accept this speech of Mr. Churchill, which has been introduced here by the Minister of Citizenship and Immigration. It seems to me that the words he has employed appropriately describe conduct of this kind as that of gerrymandering constituencies for political advantage.

We have read *Hansard* and we have considered this. And may I say that as recently as only a few days ago the Prime Minister of Australia, as I think hon. members opposite know, indicated his satisfaction with the way this system worked over there. And there is plenty of evidence that a system of that kind does work.

I would remind the Minister of Citizenship and Immigration again, in regard to that reference to the commission, that Mr. Churchill said the commission had given their verdict fairly and impartially upon the basis prescribed by the government. After all, the government and the house must be responsible for the basis upon which any independent commission will carry out its duties. His words are clear that in his opinion it had carried out those duties fairly and impartially, and we have simply made this suggestion, and based our suggestion upon the experience in Great Britain, Australia and elsewhere, where they have been able to carry out their duties fairly and impartially, as Mr. Churchill said. That was all we have ever contended, and we contend it with even more vigour now, in view of the reference made by the minister.

Mr. Harris (Grey-Bruce): Mr. Chairman, I am not particularly flattered by what the hon. member has said, because it is an indication that he did not pay too much attention to what I said this morning. I shall read what I said this morning, so that there can be no doubt as to what was said at that time.

Having indicated that for two days hon. members opposite had been debating a question that had been settled last Saturday, without any protest from this side, in the hope that we might as a consequence get on with the debate, I proceeded to answer what had been asked of me by the hon. member for Peel, and said that I would break the rules only to that extent. I spoke in these words:

> It is not entirely an open and shut question, one which can be decided overnight—

I was referring to the question of a redistribution commission.

> —merely by the assertion by hon. members opposite that another system would be better than the one we now have.

I was referring to the system; I was not referring to a commission as such. I was referring to the system of redistribution by an independent commission. I went on to say then what had been said in the United Kingdom with respect to the operation of the system, that system being the introduction of a bill in the House of Commons, after a report. And I quoted Mr. Churchill on that point, saying that he disapproved of the government of the day, as he said, introducing political advantage by changing the representation by the report and by presenting it to parliament.

Now, there was no suggestion whatever that Mr. Churchill was speaking of the operation of the commission itself. The suggestion was that he was referring to the system of an independent commission subordinate to parliament—and that is what my hon. friends opposite have been debating. It is not to be taken as an argument from me that such a system is wrong, and that the commission should be rejected. I am not saying that. I am merely pointing out that every hon. member opposite who has spoken on this subject has ended up with the statement that

parliament must be supreme, and that in Great Britain the commission's report is subject to debate and action, and that the government of the day must accept responsibility for what they do.

Now, no one can question, I think, that that is the opinion held by hon. members opposite. If they do question it, then I shall quote from what they have said. We will take first the leader of the opposition himself when, at page 3898, speaking of this system in the commonwealth countries, he said:

> The result is that in the United Kingdom, Australia, New Zealand and South Africa they have impartial bodies conducting an examination of this problem outside the House of Commons and presenting to the House of Commons recommendations which can be accepted, amended or refused. It has worked in the other nations of the commonwealth. It has found acceptance and has increased the confidence of the public in the way in which they have an opportunity to be represented in the House of Commons—

And I called Mr. Churchill as a witness that that is not a correct statement of what happened in the United Kingdom. He was not satisfied with the operation of the system there, as suggested by the leader of the opposition.

Mr. Fleming: A pretty thin distinction.

Mr. Harris (Grey-Bruce): And again quoting the leader of the opposition, at page 3905 of *Hansard*:

> —a measure should be introduced which would set up a commission. It would proceed, having the advantage of all the discussion which has taken place, and it should prepare plans to be presented to members of the House of Commons when we reconvene on November 20, or at any other date that may be chosen by the government—

And later, on the same page:

> We are putting forward a proposal in regard to a method for effecting redistribution which has worked satisfactorily in the United Kingdom.

And then he goes on to say:

> I do not suggest that we necessarily confine ourselves to the proposal—

I shall not read that, because it had to do with judges as commissioners.

And then at page 3915 of *Hansard* the hon. member for Eglinton, who has just interrupted, said:

> There is no responsible quarter in the United Kingdom today, as I am informed, from which criticism is directed at the commission method of achieving redistribution.

Mr. Fleming: Quite in accord with what Mr. Churchill said.

Mr. Harris (Grey-Bruce):

> If it can be made to work with such general satisfaction in the United Kingdom I do not see why, Mr. Speaker, this parliament cannot put it to work with equal satisfaction.

He goes on at a later point to say:

> When the report of a commission is completed it still requires a statute of parliament to give the formal effect of law to that report, and there will then be in parliament the fullest opportunity for discussion of the report of the commission.

And then later he says:

> Parliament then will have full opportunity of weighing that report and taking its responsibility for either enacting that report and its recommendations into law or on the other hand for differing or departing from the recommendations made by a commission appointed with the consent of parliament.

And then the hon. member for Lake Centre, quoting his own remarks in the 1947 debate, said, as reported on page 3930:

> Then I went on to point out that in no way would the setting up of a commission be an abdication of the responsibility of parliament, and went on to say:
>
> "Then the draft is approved by resolution of each house of parliament. That commission is one that is above partisanship; parliament still rules; parliament still controls; but parliament would not act unfairly against a political opponent."

Lest there be any doubt whatever about the view that I tried to express this morning, it was this: In the United Kingdom they have a system different from that in effect in some other commonwealth countries. The report of the boundary commission is not final, it is subject to debate in the House of Commons and to that extent, as it turned out, it is subject to political debate. The point I was trying to make was that this was not an open and shut case; there is something to be said for all sides. I went on to say that the government would give full consideration to the matter in the future. I did not indicate in any form that Mr. Churchill's remarks were directed at the work of the boundary commission. It followed in consequence of my reference to the system and I specifically attributed the remarks to the bill that he was then discussing.

Mr. Drew: Mr. Chairman, that is as specious an argument as has ever been presented in this house. The *Hansard* record of what the minister said this morning will stand quite clearly as to what he intended to convey and as to the veiled insult to members opposite when he said that he would not imagine that they would have made the argument they did if they had read the record. What Mr. Churchill said was that he was expressing regret that there should be these attempts to cloud the realities of what was being discussed. I can only close by quoting Mr. Churchill's words, which do not seem unduly inappropriate, when he said, as reported in column 3035:

> I have long had respect for the right hon. gentleman, and I must frankly and sincerely say that it was with sorrow and surprise that I witnessed him perform this disreputable job this afternoon.

Section agreed to.

Sections 2 to 8 inclusive agreed to.

The Chairman: Schedule 1, Algoma East.

Mr. Harris (Grey-Bruce): I have not been able to hear just what you are calling, Mr. Chairman.

The Chairman: I am calling the constituency of Algoma East as it appears on page 4 of the schedule.

Mr. Fleming: Mr. Chairman, are you calling the schedule before you call sections 9, 10 and 11? The last section I heard you call was section 8 and then you called the schedule, but there is a page in between containing sections 9, 10 and 11.

The Chairman: The hon. member and I may not have similar copies, but I notice that the bill has been reprinted and apparently I have made a mistake. I apologize to the hon. members of the committee. Shall section 9 carry?

Sections 9, 10 and 11 agreed to.

On the schedule—Ontario.

On paragraph 3—Brantford.

Mr. McIlraith: I should like to move an amendment which simply changes the word "street" to "avenue" after the word "Baldwin" in the ninth line.

Amendment agreed to.

Paragraph as amended agreed to.

On paragraph 4—Brant-Haldimand.

Mr. Murphy: I am not going to argue about this riding at length, but I should like to move, seconded by the hon. member for Eglinton (Mr. Fleming):

That item 4 in the schedule to Bill 393 be stricken out and the following substituted therefor:

"4. Brant consisting of—

(a) the county of Brant less that part thereof contained in the townships of Burford and Oakland and that part of the township of Brantford lying south and west of Grand river and that part of the township of Brantford not included in the electoral district of Brantford, and excluding the city of Brantford; and

(b) that part of the county of Wentworth consisting of the townships of Beverly and Ancaster."

Mr. Fleming: Mr. Chairman, may I take just a moment to point out the effect of this amendment? At the present time the riding of Brant in general terms consists of that portion of the county of Brant lying outside the constituency of Brantford, together with four townships in the county of Wentworth. The house has just approved in item 3 a change in the description of the riding of Brantford to make a slight enlargement of

that riding. This present amendment would leave the riding of Brant-Wentworth as it was before with one or two slight changes. It would mean that all of the county of Brant lying outside the new riding of Brantford would be in this riding of Brant, and that two townships from the county of Wentworth would continue to be part of the proposed riding of Brant and the other two townships in the county of Wentworth, which are now part of the riding of Brant-Wentworth, would become part of the riding of Wentworth.

Some of these consequences do not appear on the face of the amendment, but they will be dealt with when we reach the riding of Wentworth after this amendment has been adopted. This will make it possible to deal with the riding of Haldimand in a way that will be recommended when we reach that item.

Amendment (Mr. Murphy) negatived: Yeas, 22; nays, 63.

Mr. Fleming: I should like to say a word on this section before it carries. The committee has rejected a method of dealing with the riding of Brant in a way that would have made possible the retention of Haldimand in union with another portion of another county. As to independence in this house, I have noted that all the Liberal members in the house have voted against the amendment, including the Prime Minister and six other government ministers who are in the house.

Mr. Abbott: All the Conservative members voted for it too.

Mr. Fleming: I am glad they did. I wish some of the members of the government had supported the amendment.

I wish to make the situation clear because I am not sure that all members of the house appreciate the details. The point of this discussion relates to the riding of Haldimand. It was not suggested at any time that the riding of Haldimand should continue in precisely its present form because the population is down, but what was put forward as a much more sensible alternative was that—

Mr. Mutch: That is a matter of opinion.

Mr. Fleming: If the hon. member will keep an open mind instead of an open mouth he may hear what is the alternative put forward.

Mr. Mutch: We have heard it ad nauseam.

Mr. Abbott: Toujours la politesse.

Mr. Fleming: Haldimand is a rural riding and right alongside Haldimand is the county of Lincoln which has today a population of over 89,000. The schedule put forward by the Liberal majority of the committee proposes that there should be no change whatever in

that very large county but that it should continue to have only one member for over 89,000 persons. That riding has a rural part to it and it also has an urban part consisting principally of the thriving city of St. Catharines. What was suggested as being a sensible solution from every point of view was that five rural townships in Lincoln county should be added to the rural riding of Haldimand making an excellent rural riding with a population of something over 43,000 which would have been almost an ideal population for that type of riding, and would still have left the very populous county of Lincoln with approximately 70,000 people.

That very sensible proposal has been rejected in favour of one that leaves Lincoln with a population of just under 90,000 and eliminates Haldimand effectively so far as the type of representation it has had is concerned by throwing it in with the riding of Brant so that there is a merger of two ridings represented by Progressive Conservative members. When you look at that situation which preserves great inequalities in the present representation in the province of Ontario, compare the rural riding which would have resulted with rural ridings elsewhere, and see to what lengths the Liberal majority in the committee went to preserve the identity of another riding which has only 350 people more than the present riding of Haldimand, then you have a very good measure of the extent to which principle was thrown to the winds in favour of expediency.

Just mark this, if you will, Mr. Chairman. In the case of Haldimand, with its population of just over 24,000, it became necessary in the view of the Liberal majority that that riding should be merged completely with a riding now represented by a Conservative member so that there would necessarily be the elimination of one of them. But when we come to another riding with just over 24,000 persons in it, and which happens to have just 350 people more than Haldimand, then it becomes so essential that that riding should remain, so essential in fact that all kinds of extraordinary things have been done in the way of picking off townships from all manner of surrounding counties in order to preserve the existence of that riding. Does a difference of 350 in the population of the two ridings I am comparing make such a difference that in the one case nothing will do but the merger of two adjoining ridings represented by Progressive Conservative members, and in the other case nothing will do except the preservation of the riding by throwing in townships here and there from other counties?

Surely there should be consistency. In the second case let me remind you, Mr. Chairman, that the area in which it became so important to the government majority that the riding which had only 350 more people in it than the riding of Haldimand should continue as a riding is an area which has not as high a population as the general area in which the merger of Brant and Haldimand has been carried out. The per capita representation of population is substantially lower in the whole area in which Brant and Haldimand are located than is the case in the other riding to which I have referred with only 350 more people in it than Haldimand and where it became so necessary, and such a matter of principle, that that riding should be preserved. It happens to be represented in the house by a Liberal member. In the light of the statement of principles the Prime Minister made in the house this morning, a statement with which no one would quarrel, I ask the Prime Minister how the recommendation sponsored by the Liberal majority on the Ontario subcommittee and the Liberal majority on the main committee stands up in the light of the principles he laid down this morning?

I urge that this matter should be reconsidered. Surely this is one of those cases where, within the principles laid down by the Prime Minister this morning, this matter should stand over for further consideration.

Mr. Drew: I do think there would be a practical demonstration that the very excellent statement made by the Prime Minister this morning is to be lived up to if there were agreement now by the minister piloting this measure that the definition of the boundaries of Brant-Haldimand should stand aside for reconsideration. I do not intend to extend the correspondence although I could give a number of cases where matters of this kind have been under discussion; but so that it will be understood that this is not something brought forward at this time simply with the idea of raising an objection, I do want to place on record a letter I wrote to the Prime Minister with regard to this matter, and which I am sure the Prime Minister passed on for consideration of the committee. I read it merely for the purpose of showing that this subject has been before the committee for some time and in a way that did not suggest that there should be any dogmatic approach to the subject. On May 29 I wrote to the Prime Minister with the usual formal address and then said:

Dear Mr. St. Laurent:

Once again I am writing to you in connection with proposals for redistribution in view of your request that I communicate any questions to you which are causing concern to our members.

Redistribution

The immediate subject that I wish to place before you is the reallocation of part of Lincoln county. Because of the very large growth of population in that county, it is apparently regarded as necessary that there be a division of that county. Various plans have been suggested, but the plan which is advocated by our members of the committee is that the westerly part of Lincoln county, including the townships of North Grimsby, South Grimsby, Caistor, Gainsborough and Clinton, should be added to Haldimand to make one riding. The total population of the five townships I have mentioned, in addition to the village of Beamsville, is 16,959. Adding these to the population of Haldimand would give a riding of 41,097.

I have been asked to place this before you as the suggestion of our members of the committee, in view of the fact that this is essentially a rural riding and our members believe that this is a much more logical rearrangement than any other which has been proposed. An examination of the map suggests to me that this would be a very satisfactory rearrangement, because the part of Lincoln county which would be added to Haldimand is a self-contained area with a straight easterly boundary line.

I have read that letter at this time because at the time that this was placed before the Prime Minister it was indicated that there was going to be a division of Lincoln county because of its size. We did not wish to see Haldimand disappear as a riding in the form that it had been and therefore this proposal was made with the suggestion that as a rural riding it would retain a natural association.

Now again I repeat that the Prime Minister has stated here an approach to the problem with which I am sure members are in agreement. The minister who is accepting the responsibility for guiding this measure through the house can give practical proof that the statement of the Prime Minister is a statement which is going to be followed by those who support him and I would hope that even after what has already been said he would agree at this time to refer this subject back to the committee for further consideration.

Mr. Cavers: As reference has been made to the county which I have the honour to represent, the county of Lincoln, by the hon. member for Eglinton and by the hon. leader of the opposition, I think I ought to say a word in connection with the matter now being discussed.

First, it is my opinion, and this has been referred to by several members here today, that the wishes of the people who live in the county should be respected to some extent. In the last week I have received letters from the reeve of the township of North Grimsby, the mayor of the town of Grimsby, the deputy reeve of the township of Clinton, the reeve of the town of Beamsville, the reeve of the township of South Grimsby who is also warden of the county of Lincoln, and the reeve of the county of Gainsborough, expressing their desire that those townships and towns should remain as part of a single constituency made up of the county of Lincoln.

Now, I realize as I think most members realize that voters do not like to be shifted from one constituency into another; from one county into another county, although in many cases it is necessary to be done; but I think where possible it is the interest of the people who reside in the riding that should be considered more than that of the members who represent them. Secondly there is to be considered the question of the interest of the county. Our country is a large country. Some of the constituencies in this house—those in western Canada—are chiefly concerned with wheat. There are other constituencies on the Atlantic seaboard which are concerned solely with fishing. In our own province of Ontario we have the riding represented by the hon. member for Sudbury which is chiefly concerned with mining. There are other constituencies concerned with lumbering, but the constituency that I represent and part of the constituency which it is desired to eliminate from the county of Lincoln is one which is concerned chiefly with fruit growing. They grow cherries, peaches and grapes. The grape growing industry has developed a fine wine industry chiefly in the county of Lincoln. None of those interests are common to the county of Haldimand. Then, more recently we have had a problem of which I have spoken before in this house, the problem of erosion of the shores of lake Ontario. That is a problem with which we have not had rapid success but I am sure we will move gradually towards a more satisfactory arrangement. At this time I might just say that I wish to offer my congratulations to the hon. member for Brant-Wentworth who has co-operated to the full in trying to solve the problem; but that problem is no problem at all for the county of Haldimand.

So, I think the problem of interests must be considered in a redistribution of this kind. Now, I should like to refer to the matter of historic association. Last evening when speaking in the House of Commons the leader of the opposition at page 4080 of *Hansard* stated:

We have the extraordinary fact of Wingham being taken out of that riding and placed in a riding with which it has had no historic association at all.

I might say that in our riding the townships of North Grimsby, South Grimsby, Caistor, Gainsborough and Clinton and the towns of Beamsville and Grimsby have had entirely no historic association with the

county of Haldimand. The county seat of Haldimand is Cayuga and the principal town is Dunnville. In our constituency which lies below the mountain the county seat is St. Catharines. Most of the people from Clinton, Beamsville, North Grimsby, South Grimsby, and Grimsby come to St. Catharines or Hamilton, so I say there is no historic association at all with the county of Haldimand.

Then with regard to historical significance, I believe the constituency I represent in this house takes second place to none. It was the seat of the first government in Upper Canada which was held at Navy Hall in Niagara-on-the-Lake then known as Newark. The great battle of Queenston Heights was fought within the boundaries of my constituency and Major General Isaac Brock is commemorated by a fine monument in Queenston Heights park.

The riding of Lincoln was created in 1882 by the late Sir John A. Macdonald. It was ratified by the late Lord Bennett in the redistribution bill of 1933. It was continued by the late Right Hon. William Lyon Mackenzie King in 1947 and I am pleased to know that it is to be continued as a single entity under this present administration. After the next census I am sure, with the rapid growth we have had in St. Catharines and the county of Lincoln, we will be well between 110,000 and 120,000, and at that time there will be ample room for two constituencies within the boundaries of the county of Lincoln.

I desire to quote one reference, a reference used on former occasions by the leader of the opposition. It is a biblical injunction and I should like to use it in a context different from that used by the leader of the opposition:

"Prove all things; hold fast that which is good".

I wish to continue serving the good people of the county of Lincoln. As a native son of that county the people of Lincoln have been good to me, and I shall be happy to serve them just as long as they desire me to be here. I shall endeavour to serve them conscientiously and to the best of my ability.

Mr. McIlraith: Mr. Chairman—

Mr. Drew: Mr. Chairman, I am just going to make a reference to what I have said, but I shall be glad to defer to the hon. member.

Mr. McIlraith: I am always deferential to the leader of the opposition.

Mr. Drew: I was going to point out, as stated in my letter to the Prime Minister, it had been understood that the population included in Lincoln county was going to lead to the necessity of some readjustment. It was in relation to that that the suggestion which had been made was made.

May I say further that I am glad to be reminded of the biblical quotation to which the hon. member for Lincoln has just referred, because in some of the arguments he has used he has offered proof of the arguments we have been making. He has been suggesting that there should be some relationship and association maintained in carrying out this readjustment. Every argument that he has made would suggest reasons for a reconsideration along the lines that we have been putting forward. It is quite true that historic records should be preserved. He has every reason for pride in the traditions of that county, and in such events as the battle of Queenston Heights. But of course, there were other historic events in Haldimand which apply to earlier days. It is with the thought in mind that those associations are worth preserving, and that there may be some possibility of some respect for those traditions in the adjustments that are made, that I still keep the suggestion before the minister who is accepting the responsibility for guiding this measure that consideration be given to the riding of Haldimand along the very lines referred to by the member for Lincoln in quoting what I have said earlier in this debate.

Mr. McIlraith: Just before we vote on this motion, I believe it is appropriate that some of the facts with respect to this proposed constituency be placed before the committee. In speaking the other night the present member for Haldimand addressed himself particularly to the subject matter of his own constituency in a way that, while I might differ with some of the minor points he was discussing, I thought did him a great deal of credit. I must say it was the one speech from the opposition party in this debate that I thought was relevant throughout and well done.

I can only recall my own remarks in that connection when I spoke about this county of Haldimand on the previous day. These counties, of course, have fine historical background. It is difficult in any committee when you are adding to a county or taking away from a county. There have been some misconceptions about this situation.

The fact is that Haldimand is the second smallest constituency in the province of Ontario. The fact is that it is an old county with a good road system, easily accessible. The fact is that its area is relatively small, approximately 490 square miles. What was

not said by the hon. member for Eglinton in his remarks this afternoon was what happened when that former constituency of Brant-Wentworth—if I am correct I believe he used the term "amalgamated" in referring to the two constituencies.

Mr. Fleming: I do not think I used the word "amalgamated".

Mr. McIlraith: In any event, I think the point I wish to make is one with which you will agree. I understood you to say that the constituencies represented by the members for Brant-Wentworth and Haldimand were combined together. I think there is no difference between us—

Mr. Fleming: I said that the county of Brant, excluding the riding of Brantford, is to be united under this proposal with the county of Haldimand.

Mr. McIlraith: Just before I deal with that, may I say that a great deal has been said about the history of this constituency as opposed to the history of the county. This present constituency of Haldimand was created in 1903. It has a history as a constituency, although a very fine county history, only going back to 1903. It is rather of interest to note that prior to that time it had with it a part of the county of Welland. Now, that is the history of that constituency. What has been done?

Under this proposal the county of Welland has been divided in two, and I think all hon. members will agree that was a reasonable and proper thing to do. Turning to Brant-Wentworth, I should like to say that that constituency included the suburbs of Brantford and part of the corporation of the city of Hamilton, a part of the county of Wentworth and the main part of the county of Brant. What has happened is that in addition to the new constituency in Welland, another new constituency has been created in the Hamilton-Wentworth area.

Now, the difficulty in which the opposition are finding themselves, and which they have not explained to the house, is that the present member for Brant-Wentworth does not live in that part of his constituency which is now in Hamilton city.

Mr. Hees: What difference does that make?

Mr. McIlraith: The present member for Brant-Wentworth does not live in that part of his constituency which was put into Hamilton city.

Mrs. Fairclough: May I interrupt to say that this linking of Brant-Wentworth is foolish if you know the actual territory. About three square city blocks, which were part of the township of Ancaster, could scarcely be described as the city of Hamilton.

Mr. McIlraith: I was coming to that. It could scarcely be described as the city of Hamilton, but it is within the corporate limits of the city of Hamilton.

Mrs. Fairclough: For two years.

Mr. McIlraith: Yes, in 1951.

Mr. Lennard: I might say that it was only two years ago that it was taken into the corporation of the city of Hamilton.

Mr. McIlraith: That is quite correct, and that is precisely what causes embarrassment to the opposition. The hon. member does not live in that part, so he cannot run in the new constituency. I think there is no difference; at least nothing so far has been said by the opposition about the internal lines—

Mr. Hees: Why cannot the hon. member run wherever he wants to?

Mr. McIlraith: That is precisely my point. I want to show how inconsistent your interjection is with the arguments you have advanced in the last three days. The internal boundaries of the city of Hamilton are not at issue, so far as I know, and they completely meet the wishes of the opposition. In so far as there were going to be three seats, I think the internal boundaries are agreeable, so nothing turns on that.

Now, this new constituency of Wentworth, when this Hamilton part was taken out which was in Brant, combines the rural part of Wentworth constituency and the Wentworth part of Brant-Wentworth into one constituency. The hon. member who represents Brant-Wentworth constituency must not intend to run in the rural part of the new constituency of Wentworth, otherwise there would be no case to be made there. In any event, the hon. member for Brant-Wentworth does not live in Wentworth county. The difficulty arises from the fact that he apparently lives in the Brant county part of his present constituency. He is free to stand for nomination wherever he wishes. That is the right of any citizen who is entitled to stand as a candidate. I point that out because the effect of the argument of the members of the opposition is to lead one to believe that two constituencies represented by members of the Conservative party in the house have been amalgamated. That is not the fact.

Mr. Hees: Yes, it is.

Mr. McIlraith: The hon. member for Broadview apparently knows all about this.

Mr. Hees: I know enough to follow simple facts.

Mr. McIlraith: One can judge what he knows from his conduct in the house. That is the way we ought to judge him, and it is the way he must be judged.

It is interesting to note that the population of the constituency of Brant-Wentworth that is in Brant county is less than half the population of the constituency. Not only that, but I would point out that the suburbs of the city of Brantford, the irregularly described piece of the suburbs, are added to Brantford. Had the hon. member lived in that area I presume he would seek nomination in the constituency of Brantford, though that again is entirely his business and certainly not mine. But I do point that out in order to illustrate the wrong impression that is being created by the arguments of the opposition.

Mr. Hees: Will the hon. member permit a question? Can he explain to us what difference it makes where a man lives, and where he seeks nomination? That is a perfectly proper question.

Mr. McIlraith: I shall be very glad to answer the question. I think it will help hon. members in assessing the nature of the question if I point out that the whole case of the opposition in respect to the addition of a part of Brant-Wentworth constituency to the second smallest constituency, Haldimand, in the province has been based on the fact that two constituencies represented by members of the opposition were amalgamated. That was the whole case made by every member of the opposition on this question, and I thank the hon. member for asking me the question, because it enables me to clarify the point.

Mr. Hees: What I asked the parliamentary assistant was, what bearing has the fact that a man lives in a certain place, on his seeking nomination in some other riding? The parliamentary assistant seems to be making a case out of that.

Mr. McIlraith: Yes; that is another good question. Legally it has none, but it is usually considered advantageous if you live within the constituency in which you seek nomination.

Mr. Hees: Since when did members of the Liberal party begin to worry about our public relations?

Mr. McIlraith: In this case—

Mr. Hees: Don't bother about us.

Mr. McIlraith: The whole argument of the official opposition has been that two constituencies represented by members of the opposition party are going to be combined into one. Nothing of the sort has happened.

Mr. Hees: Well, of all the nonsense!

Mr. McIlraith: Perhaps we will have something to say about Toronto and the Yorks when we come to them. The hon. member may well have his opportunity to argue this afternoon.

The second important point about the remarks made by the hon. member for Eglinton who I must say, unlike his colleague from Broadview, did address himself specifically to the point, is that he did not deal with the problem of what constituency he proposed to eliminate from the schedule but he made quite clear—and I think properly so—what he would do in the immediate area of Haldimand. The effect of that is to add one member to the schedule. He did not say which constituency in the province he proposed to eliminate from the schedule, and of course that follows as a necessary action from what he is now arguing.

Mr. Lennard: Just to correct the impression that has been fostered in the last few minutes, I wish to say that when the last redistribution took place and four townships were removed from the county of Wentworth and put into the riding of Brant-Wentworth I was gerrymandered out of Wentworth county, because I have lived since the last election in the constituency of Brant-Wentworth. I do not live in Wentworth constituency, and I might add that I have never raised any argument about that; I have never complained about it.

Mr. McIlraith: I noticed that.

Mr. Lennard: Furthermore it might interest the hon. member to know that in the new redistribution scheme the hon. member for Hamilton East, as it is still called, does not live in his riding; he lives in the proposed riding of Hamilton South East.

Mr. McIlraith: That is right.

Mr. Lennard: I do not think it is any argument at all, especially from the opposition standpoint. I never raised the question at any time during the past few years that I had been gerrymandered out of my own riding. I never gave it a thought.

Mr. Harris (Grey-Bruce): May I interrupt at this point—I hardly thought this question would arise—just to keep the record straight. My hon. friend will agree that at that time, before the change was made, he was informed that apparently the change would in fact move him out of his constituency and he agreed to do what he has now said he did, namely say nothing about it.

Mr. Lennard: I brought it up merely because it was brought up this afternoon; that is all.

Mr. Murphy: I may as well say what I have to say on this amendment instead of waiting for another amendment which I have, and on which I will repeat what I am going to say now. I think I will be in order, at least I am told I will be.

I listened with great interest to the hon. member for Lincoln. I do not think he surprised anybody in this house. He mentioned getting letters from certain areas in the county of Lincoln. It so happens that the areas from which he got the letters were the ones we proposed bringing into the county and making it Haldimand-Lincoln. I can understand his position, as can any other hon. member, in that he would like to retain the whole county. Maybe it is too bad for the committee and for the work of the committee that he was not a member of it. We might have had some principle carried forward on a fair and equitable basis.

He gives another reason why the two areas should not be combined. He has an erosion problem. Well, I think that problem is quite common today to all ridings on the great lakes. Haldimand also has an erosion problem.

In commenting upon the various ridings the hon. member who just took his seat spoke about Welland requiring two seats and Hamilton requiring an additional seat. We have never objected to that proposal because we thought it was fair. No member on the government side of the committee can say that we did not take a fair attitude all through the proceedings of the committee. I know it was a waste of time so far as we were concerned. We could have been doing something else in the house, or we could have gone fishing.

The hon. member spoke about the size of the riding. In the last few minutes he tried to justify the Brant-Wentworth and Brantford set-up. He said they should have been dislocated as they have been, or as it is proposed. I said the other day and I repeat that if he had left Wentworth as it would have been, taking out the part that was in Hamilton, it would still have a population of over 40,000, which is much bigger than the ridings some ministers represent in this house. The riding of Brant-Wentworth could have stayed the way it was, and it too would have been a great deal bigger than some of the ridings represented by ministers in this house.

There was no occasion to change Brantford at all. The reason for the change was that there were two Tory members, one from Hamilton and one from Brant-Wentworth. And let there be no mistake about it on the part of anybody; the one and only reason for the change was to eliminate one Tory member. Why would not the argument offered by the hon. member for Lincoln apply to the county of Huron? I say they were going to apply the old cleaver and butcher knife, sticking part of it into Bruce and another part of it into North Wellington, and putting part of Perth into it. If the principle the hon. member is so proud to expound had been followed we would have had Huron intact, and no part of it would have been taken to bolster up that little riding of Wellington North, which is several thousand less than the ridings under discussion in the Hamilton and Wentworth area.

Acting as a member of the committee has been an experience I shall long remember. I got to know you, Mr. Chairman, a little bit better. And may I say as a member of the opposition that we appreciate your fairness as chairman of the committee when you grace the chair. I wish I could say the same about all members on the redistribution committee. Somehow or another personalities show up in a different way when there are different responsibilities.

I would have been satisfied with the work of the committee if we had been able to approach the problem in a businesslike manner. But it was not approached in that way. It was approached in a small, political sense, with the idea of carving up Tory seats. What happened in Ontario has happened in other areas we are now discussing. I might not have fought so hard from the very beginning for the retention of Haldimand had it not been for the fact that hon. members of the House of Commons have a very high respect, as well they might, for the hon. member who now represents that constituency.

It seems to us in the opposition that we were up against a stone wall. I made no bones about it when I said at the beginning that we were going to fight for Haldimand because we were fighting for a principle, and we were also fighting for a marvellous representative in the House of Commons. I am sorry that the time wasted in committee did not have the results we had hoped. It seems to me that when the work of this session is completed we will not have very much to be proud of in this respect.

Mr. Catherwood: Mr. Chairman, following my remarks of Monday I am going to make only one or two brief observations at this stage of the debate. After listening to the remarks of the hon. member for Lincoln I think perhaps that had I been in his position I would have been tempted to express myself in a similar vein.

However, I do feel that the report of the committee has very considerable merit, and I still trust that even at this late stage in debate the committee will reconsider and possibly give support to the amendment. The hon. member for Lincoln referred to the lake shore erosion problem faced in his constituency. I suggest, Mr. Chairman, that additional representations from the county of Lincoln would give greatly needed support to the people of that county in connection with that grave problem.

While this matter of erosion is of great importance on lake Erie, we realize that as it also affects lake Ontario shore line vitally every part of that section of the Niagara peninsula is being greatly affected, and I feel this matter is one of great and serious concern. Every possible added representation that can be secured from that section along lake Ontario should be made available and should be considered by the committee, because it is very definitely a matter of great importance to the people in that section of Ontario.

The suggestion that part of that area be associated with the county of Haldimand would result in its becoming an excellent joint rural constituency. As hon. members are aware, I have represented a rural constituency and know something about rural problems. While I am home during the summer months I find that my time is taken up with matters that affect agriculture. I have no doubt that the hon. member for Lincoln, who represents his riding well, must have terrific responsibilities when he is called upon to represent almost 90,000 people in that constituency. My view is that it just cannot possibly be done properly, because there are only 24 hours in a day and, with all due respect to the hon. member for Lincoln, I feel he cannot represent that riding with its large rural area as well as its large industrial population in the manner in which it should be represented.

I have said that I represent a rural riding. If I were fortunate enough to win the nomination and fortunate enough to be elected as candidate, upon contesting the constituency, I do feel that I could give to that rural section of Lincoln county very good service, because it is very similar to the situation with which I have been dealing in Haldimand. If, as I said before, I am given the privilege of representing that county, I believe I could do so properly, and could give the greater time that the representation of a rural constituency should have.

I cannot say a great deal more at this time, nor can I add greatly to the very able remarks of my colleague the hon. member for Eglinton, who has set this situation out so excellently. I would also refer gratefully to the remarks of the hon. member for Lambton West and every hon. member who has spoken so favourably with respect to this proposed amendment. I believe this representation could be equally divided, that it is ideally located and ideally situated, and that for that reason it could become an ideal riding. I commend the report of the subcommittee to hon. members, in the hope that they will support the amendment.

Mr. Macdonnell (Greenwood): Mr. Chairman, the hon. member for Lincoln must take the responsibility for my being on my feet. In what I shall say I shall be very brief. I am sure that whatever else may have been said in this chamber during the last two or three days, we do feel that the committees had a very difficult task. In some of the cases which have come before us we realize the difficulties have been so great as to have been almost overwhelming.

Here, however, it seems to me we have a case where the alternative was so simple and so easy, so obvious and so fair, that I believe we should pause and have another look at it. If I had had any doubts about it, certainly my doubts would have been removed entirely by the speech of the hon. member for Lincoln. I thought he was a good lawyer with a very, very bad case. I listened to the reasons he gave for not doing this obvious thing, and I became more and more convinced that his reasons were quite worthless.

Let me remind hon. members that the situation is one in which we have, right next door to Haldimand, the constituency of Lincoln with a great excess of population. The hon. member for Lincoln suggested that at the next redistribution his constituency may be cut into two. Well, we will leave that for the future. At any rate there is no disputing the fact that there is in Lincoln, next door, additional population which could have been added to Haldimand and which then would have justified fully the continuation of this historic constituency.

What are the reasons given by the hon. member for Lincoln against doing the fair and obvious thing? Well, I find it difficult to follow his argument. First of all one would

think that the boundary between Haldimand and Lincoln at the present time is like the Alps or the Rocky mountains, that one could hardly pass from one constituency to the other. We will omit all that. Second was the effect of erosion in lake Erie. That struck me as having no more to do with it than the flowers that bloom in the spring. Indeed I was left with the feeling that if the hon. member for Lincoln has to resort to this utterly unconvincing argument against the obvious justice of taking part of Lincoln and adding it to Haldimand, thereby preserving a historic riding, our sense of fairness and common sense is leaving us.

Mr. Hees: Mr. Chairman, I make no apology at all for rising to speak on behalf of the hon. member for Haldimand, because I believe that when you speak on behalf of such an excellent member of parliament, it is time well spent. Nothing said this afternoon by the hon. member for Lincoln makes me believe that five townships in Lincoln cannot be just as well represented in this house by the hon. member for Haldimand as by himself, well though he may be representing them at the present time. The riding of Lincoln now has 90,000 people, which is too many for one member to properly represent, no matter how able he may be. I am not detracting at all from the hon. member for Lincoln, but I think he would be able to do a better job for 70,000 people if 20,000 were added to Haldimand.

Yesterday evening, the Minister of Agriculture referred in generous terms to both the former member for Haldimand, and the present member for Haldimand. He said they were men whom he had marvelled at. That was a most generous comment on his part, and one that was well justified by the present member for Haldimand. I believe that, with his ability to serve his constituents, which I have been able to observe during the past two years, being his roommate, he would be able to serve these additional five townships in an excellent manner. I think it is most important that we in this house do everything we can to see that really first-class members of parliament are not eliminated, as will be the case in connection with Haldimand.

We have put forward some sensible and practical suggestions for the retention of this seat. Granted, it is too small at the present time; but we have suggested adding five townships from Lincoln, which would then make the ridings of Lincoln and Haldimand a sensible size. I think the suggestions we have made are sensible and practical.

I hope this committee is not simply going to follow the routine of having these suggestions put forward, and then giving them no consideration whatsoever, as appears to be the situation now. Amendments are put forward, but they are not considered. Members stand up and the ridings are lopped off.

I would hope that, even at this late stage, when the riding of Haldimand comes up for consideration, the committee will restore the confidence of the people and increase their belief that fair play is still possible in this House of Commons.

Mr. Fleming: Mr. Chairman, I should like to deal with some of the points raised by the chairman of the Ontario subcommittee, the hon. member for Ottawa West. I shall base my position on this item squarely on the facts of the situation. I am not simply making an appeal to sentiment; I am dealing with the situation on the facts. The recommendation of the majority on that committee is going to work a great distortion in representation in the province of Ontario, not only in this case but in other areas within the province.

As the hon. member for Ottawa West has said, the effect of the proposal made by the official opposition in this respect would be to have one more seat in this particular area. Under the recommendation of the majority of the committee the representation in this area is to be narrowed down to three ridings whereas we propose four. That is quite right. The hon. member for Ottawa West says it will be necessary to eliminate a seat elsewhere. Of course that follows.

In committee we made several suggestions as to what could be done in that respect, suggestions that had much greater justice than what is proposed with respect to the narrowing of this area into three ridings.

Mr. Mutch: For the benefit of those who were not on the committee, would the hon. member like to tell us what were the alternative suggestions?

Mr. Fleming: The hon. member will hear about them in due course. He will have the whole story. All he needs to do is to follow what I said before and also what will be said at a later stage and he will then see precisely what is suggested. These were discussed at some considerable length in the committee. The hon. member can get the whole story from the hon. member for Ottawa West who is sitting beside him.

Mr. Mutch: I think you would prefer to speak for yourself.

Mr. Fleming: The hon. member will find out all he needs to know on any of these matters. I shall be happy indeed to discuss any of these questions with him.

I have always understood the purpose of redistribution to be to arrive at equalization

in representation. If we accept the glaring inequalities that have been put forward, then what is the sense of going through the form of having redistribution? I always understood the purpose of redistribution was to take account of shifts in population during the previous decennial period, and eliminate consequent inequalities. I understood that to be the guiding purpose of redistribution, subject of course to the recognized fact that we take account of area and give weighted representation to the rural areas.

Here is the proposal by the majority of the committee, as supported by the hon. member for Lincoln. Lincoln will be left with 89,366 population; it is to be unchanged. It is proposed that Brant, that is the county of Brant outside the riding of Brantford, and the county of Haldimand be merged together, with a population in round figures of 49,000.

Mr. McIlraith: It is 45,000; you take off 3,000 for Brantford.

Mr. Fleming: That would leave 46,000. The figure the hon. member gave in the committee when adding the country of Brant to the county of Haldimand was 48,979, and from that was subtracted a small area alongside the city of Brantford which is now to be placed in the riding of Brantford.

Mr. McIlraith: The net figure is 45,000.

Mr. Fleming: We will not argue over a few hundred, as we have bigger fish to fry here. Wentworth will have a population of 54,000 under the proposal by the majority of the committee. Let me give those figures again so the committee and those interested in trying to see that justice is done, in trying to achieve some equality of representation in this house will have the details of the situation they are being asked to create. The figures are 89,000, 54,000 and 45,000.

What is the proposal of the opposition? We propose, as I have indicated before—I do not wish to repeat what I said—that five townships at the west end of Lincoln county should be joined to Haldimand, thereby reducing Lincoln to 70,000. That is quite enough for any one member to handle. The remainder of the riding would consist of rural townships as well as the important city of St. Catharines. Under the suggestion we make Wentworth riding would have a population of 48,000. Haldimand with these five townships from Lincoln would have a population of 43,000 and the riding of Brant would have a population of 37,000. Put them alongside each other, Mr. Chairman. There you have three rural ridings with proposed populations of 37,000, 43,000 and 48,000, and you have the remainder of the riding of Lincoln with a population of 70,000, something over half of which would be in the city of St. Catharines. I put it to the committee that that is a fair and equitable distribution of that area; but put that alongside what is proposed by the main committee, 89,000, 54,000 and 45,000.

An hon. Member: Bingo.

Mr. Fleming: Can anybody say that is a fair distribution of population where one riding would have twice the population of an adjoining riding, and where the riding with the population of 89,000 has a number of rural townships in it? In my submission, to state figures like that is in the estimation of sensible people to condemn completely what has been proposed by the government majority without regard whatever to the fact that the nub of what has been proposed by the government majority is to link together two ridings or counties which are represented at the present time by Progressive Conservative members of the house.

The hon. member for Lincoln said: "Our occupation is a little different in Lincoln, and we have no connection with Haldimand." The county of Haldimand does not disappear. The county of Haldimand has to go somewhere in this redistribution.

An hon. Member: Good.

Mr. Fleming: What do the government members of the committee report? What do they propose? They propose that it be added to Brant county. I am here to tell you that the county of Haldimand has just as much in common with the county of Lincoln, just as much to connect it with the county of Lincoln, as it has in common with the county of Brant or to connect it with the county of Brant. That argument is not worth anything.

An hon. Member: In your opinion.

Mr. Fleming: It would be different if the county of Haldimand were being obliterated from the map, but that is not what is happening. It must go somewhere. The hon. member for Lincoln says it has nothing to do with them, so what is proposed instead is that every person living in the county of Lincoln should have the fraction of representation in the House of Commons of one over 89,366. That is what is proposed for the county of Lincoln; and the fear is expressed that if these five townships are included with Haldimand at this time to make a sensible riding it will neutralize the chances at the next decennial redistribution of having the riding of Lincoln cut in half.

Isn't that a fine argument for avoiding the drawing of a line down the county of Lincoln today, that ten years from now they may want a different line drawn through the county? We are told today that the drawing of any line now is unthinkable, and we are

given as a reason why that line should not be drawn today that they will want a line drawn there ten years hence. To state such an argument and to repeat it is to expose the folly in it; but in the meantime it is put forward as an excuse for continuing the gross inequality in representation.

The area of which I am speaking now, in which we suggest there should be four seats and not three, is not over-represented in the House of Commons. It is said that in the next county Hamilton is to have an extra seat. That is true, because the population is there to require it. I have heard nobody question that, either in the Ontario subcommittee or the main committee. Then they turn a little farther south and east and say that Welland is now to have two members instead of one. Of course it should, because Welland has a population today of approximately 120,000. Why should it not have another member? That is not an excuse for denying representation in the particular area where the majority report proposes to narrow the representation from four to three members.

These other points are quite irrelevant. Welland stands on its own feet as being entitled by population to a new member. The county of Wentworth which includes the city of Hamilton is entitled to four members, three in Hamilton as proposed and one for the remaining part of the county of Wentworth, because it has the population to warrant an extra seat being created there. What on earth has that to do with what we are dealing with here in an adjoining area, where this distortion of representation in the house is to be perpetrated, and with it of course the effective elimination of a Conservative member from the House of Commons.

No argument has been put forward here that will stand up to the test of common sense, that will stand up to the test of principle, if the purpose of redistribution is to achieve some approach to equal representation in the House of Commons in relation to population. What does the recommendation of the majority do? It distorts inequalities in representation in the house, it enlarges differences in the populations of adjoining and comparable ridings, and this is the cloak that is cast over what is virtually the political assassination of a member of the opposition.

An hon. Member: Absurd.

Mr. Fleming: Has anybody over there anything to say?

Mr. Gardiner: We are not even listening to you.

Mr. Abbott: Louder.

Mr. Fleming: It may be a matter of merriment to the merry Minister of Finance and some of those yonder who look on perpetrations of this kind as a part of normal political warfare where the spoils go to the victor and the majority for the time being can perpetrate whatever it likes.

An hon. Member: For some time to come.

Mr. Fleming: I am telling you, Mr. Chairman, that this sort of thing cannot go on. This sort of thing cannot be supported by anyone who makes any pretence of belief in or subscription to principles in relation to the distribution of seats in the House of Commons. I am making the statement as flat as that—

An hon. Member: Pretty flat.

Mr. Fleming: —regardless of the merriment that the political assassination of a very distinguished member of the house may bring to hon. members opposite. If there are any other arguments that can be put forward on this subject I would be glad to hear them and deal with them. So far not one fact has been put forward to extenuate, excuse or palliate the crime that is being committed here today in the recommendation of the majority of the committee, or that will stand up to any test of common sense or principle. If things like this are going to be done in the name of redistribution, then it would be very much better not to attempt redistribution; because far from equalizing population in ridings what is being done is to distort and create further glaring inequalities.

Paragraph agreed to.

On paragraph 5—Bruce.

The Chairman: Earlier in the debate the hon. member for Ottawa West gave notice of an amendment of which I have a copy. Is the hon. member moving that amendment now?

Mr. McIlraith: Yes. I should like to read the amendment. I understand it is reasonably agreeable to the official opposition. The effect of it is to remove three townships in Huron county that were in the constituency of Bruce, as indicated in the schedule, from that constituency. The amendment reads as follows:

That the schedule be amended with respect to item 5 (Bruce) by deleting therefrom the brackets, and the words "and that part of the county of Huron included in the townships of East Wawanosh, West Wawanosh and Ashfield."

I gave notice of that amendment when the bill was first called.

Mr. Cardiff: This deals with Bruce?

Mr. McIlraith: Yes.

Amendment agreed to.

Paragraph as amended agreed to.

On paragraph 6—Carleton.

Mr. McIlraith: I have an amendment that I think will be wholly agreeable to the leader of the opposition. It is indeed a pleasure to be at one with him for once.

Mr. Murphy: A very strange pleasure.

Mr. McIlraith: Because of a printer's error the word "and" was omitted and certain brackets have to be inserted. The amendment reads as follows:

That the schedule be amended with respect to item 6 (Carleton) by inserting the word "and" before the words "the village of Rockcliffe Park" and by putting brackets around the words "excepting therefrom the township of Gloucester, the town of Eastview, the village of Rockcliffe Park."

The Chairman: Hon. members have heard the amendment. Shall the amendment carry?

Amendment agreed to.

Paragraph as amended agreed to.

Paragraphs 7 to 14 inclusive agreed to.

On paragraph 15—Glengarry-Prescott.

Mr. Major: Dealing with this, may I say that I am not happy and I feel that the people of both Prescott and Glengarry are not happy over the merging of Glengarry and Prescott as a county unit in the next representation in this house. I think it is unfortunate that the committee has seen fit to recommend that the counties of Glengarry and Prescott be joined as one county for future electoral purposes, and very briefly I would like to state some of the facts which should be considered before taking a decision.

May I recall that Glengarry—except for eight years 1917-1925—has been a single constituency since confederation. To do justice to its historic tradition, though it is not up to the required quota, I feel that it should be continued as a single constituency.

To realize how long the county has been settled, one has only to look at the records of the churches established at Williamstown and St. Raphael. The United Empire Loyalists who settled the front part of the county together with the Scots who settled the northern part have a great history, in fact too long for me to attempt to recall it at this time.

At St. Raphael, you find the oldest Roman Catholic church established in Upper Canada, and there you also find the settlement of highland Scots. These disbanded military men were guided by their chaplain who later became Bishop Macdonell. At St. Raphael stands a memorial erected to his memory by the federal government. If you look back about 100 years you will trace the first French Canadian families who settled in Glengarry.

May I mention that Glengarry's first member of parliament was Donald A. Macdonald, a brother of Sir John Sandfield Macdonald, the first premier of Ontario. From 1945 to 1949 Glengarry had the good fortune and honour to be represented by the Right Hon. W. L. Mackenzie King. You will recall that the men from Glengarry served and continue to serve their country well. The Glengarry Fencibles, the oldest military organization in Ontario, were always ready to serve when their country needed a strong arm, and Glengarry is now playing its full share in the Stormont, Dundas and Glengarry Highlanders. May I mention that you find Glengarry's sons all through Canada; and their home, Glengarry, should be continued as a single constituency.

I feel there should be something more than the application of a quotient when dealing with counties of such historical background, and a great deal of consideration should be given before merging Glengarry with the county of Prescott in such a way as to have a Liberal member disappear from the house.

Prescott has also been a single constituency since confederation. It extends from Point Fortune along the Quebec boundary to Wendover on the Ottawa river, some 30 miles from Ottawa. Its settlers are for the most part of French origin, and it equally has its pride and tradition. Its customs and interests are different from those of Glengarry inasmuch as Glengarry is united with Stormont and Dundas for hospitalization, social welfare, public health and its county road system.

The St. Lawrence development I feel will cause a great expansion which will have its effect, and I feel that the population of the area including Glengarry will be greatly increased. By joining Glengarry and Prescott at this time you will be creating a county with a population of over 43,000, larger than most other comparable rural ridings. If you envisage the proposed county starting on the southwest corner close to Cornwall, following the St. Lawrence river down to river Baudet, then following the Quebec boundary up to 30 miles distant from Ottawa, you can realize the area that will be covered. You can also realize the difficulty a member will have in trying to keep in contact with his electors and deal effectively with the many problems of a rural constituency.

Considering all this, Mr. Chairman, why not leave Glengarry and Prescott as they are for the present redistribution? Why should we not wait until after the St. Lawrence development to assess the population, rather than join these two counties now, when it might be necessary to separate them again at the next redistribution?

However, if the committee decides that it is in the best interests of representation and the country in general that the counties of Glengarry and Prescott be merged, I will abide by the decision. If the counties of Glengarry and Prescott are merged, I shall be very pleased to continue to work with them as I have in the past to further the interest of these historical counties.

Mr. McIlraith: I believe I should say a word on the merger of these two historic counties, Mr. Chairman. I promise the committee that I shall be very brief, not because I want to be brief on the subject but rather because of the good progress we appear to be now making in dealing with this bill. I think I ought to say to the hon. member for Glengarry and the hon. member for Prescott that, for my part, I found this the toughest political action I have had to take since being elected to the House of Commons some twelve years ago. The merger of these two seats was not without significance to me, not because of the political consequences but because of the fact that with the county of Glengarry I have had not only the closest personal association but a very close association through immediate ancestors.

Mr. Fleming: There is an amendment which I should like to introduce at this point because of the place the riding I propose will hold in the alphabetical order.

Mr. McIlraith: What item is it?

Mr. Fleming: I am proposing to include an item to be inserted immediately after item 14, and it will relate to the continuance of the riding of Frontenac-Addington. It would come in as an entirely new item 15. Perhaps I may read my amendment to the schedule now and discuss it afterward. The amendment reads:

That the schedule to Bill 393 be amended by inserting the following after item 14 on page 8 thereof and renumbering the subsequent items accordingly:

15. Frontenac-Addington consisting of
(a) the county of Frontenac excluding the city of Kingston; and
(b) that part of the county of Lennox and Addington contained in the townships of Camden, Sheffield, Denbigh, Abinger, Ashby, Effingham, Anglesea and Kaladar, and the village of Newburgh.

May I explain at once, Mr. Chairman, that this is the present riding of Frontenac-Addington, and the effect of the amendment is to retain that riding unchanged. When I say "unchanged", there is one very slight modification in that the city of Kingston—

Mr. Harris (Grey-Bruce): May I just interrupt? I do not want to delay the hon. member's explanation, but I thought if it would be agreeable to the committee the chairman might read the amendment, and then we might postpone the discussion until we reach Hastings-Frontenac where the discussion could take place.

Mr. Fleming: I am agreeable to that, and I wish to make it clear that my amendment has nothing to do with item 15 as such, but is the insertion of a new item in the alphabetical arrangement.

Some hon. Members: Agreed.

Paragraph agreed to.

Paragraph 16, Grenville-Dundas, agreed to.

Paragraph 17, Grey-Bruce, agreed to.

Paragraph 18, Grey North, agreed to.

On paragraph 19—Halton.

Mr. Murphy: I have a suggested amendment here, and without debating or explaining it, I shall read it. This is what I had reference to in my speech the other day when I said I could repeat later what I said at that particular time. I move:

That the schedule to Bill 393 he amended by inserting the following immediately after item 18, and renumbering the subsequent items accordingly:

19. Haldimand-Lincoln consisting of the county of Haldimand and that part of the county of Lincoln contained in the townships of North Grimsby, South Grimsby, Caistor, Gainsborough and Clinton, and the village of Beamsville.

The Chairman: Shall the amendment carry?

Amendment (Mr. Murphy) negatived: Yeas, 19; nays, 59.

Paragraph agreed to.

On paragraph 20—Hamilton East.

Mrs. Fairclough: I have a suggestion I should like to make with respect to the naming of Hamilton East. I spoke about this previously in private conversation. As members of the committee are aware, the constituency which bears the name of Hamilton East, and which formerly bore the name of Hamilton East, is now right in the centre of the three Hamilton constituencies. The Hamilton West riding, which I have the honour to represent, under this redistribution extends right to the western boundaries of the city of Hamilton. Hamilton South East extends to the southern and eastern boundaries of the city of Hamilton. The riding formerly described as Hamilton East is thus thrown into a central position. As it is proposed that one constituency shall be named Hamilton East and the other Hamilton South East, it would appear that there could well be a considerable confusion between those two constituencies. I would suggest for the consideration of the committee that this riding of Hamilton East be named Hamilton Centre. I am sure it would be conducive to

greater clarity in all arrangements in the future, and I am sure the hon. member who now represents the constituency of Hamilton East would not object to the change.

Mr. Lennard: In that connection I might say that when Hamilton East was first named, Ottawa street was the eastern boundary of the city limits of Hamilton. The area lying beyond that was called Crown Point and was in the county of Wentworth. For many years the extension of the city of Hamilton was in the constituency of the county of Wentworth, and for some time since the naming of Hamilton East it has not been really the eastern part of Hamilton. I quite agree with the suggestion put forward by the hon. member for Hamilton West, and it would certainly be correctly named if it were called Hamilton Centre.

Mr. McIlraith: It is quite true, Mr. Chairman, that the hon. member for Hamilton West put forward this suggestion, so it is not one brought forward as a surprise now. I admit that there were some difficulties about the names in the areas, but I think for once we have found boundary lines which are reasonably agreeable to the opposition. I think they are reasonably agreeable; but the historic constituency of Hamilton East, the present constituency, is not being changed as to boundary lines except for one very small corner. I have taken up the question of the change of name, and it does not seem to be agreeable to those concerned in that constituency. They seem to feel that they would like to retain the name the constituency now bears. For those reasons I wonder whether the hon. member would agree not to press her suggestion any further.

Mrs. Fairclough: Of course I would not press a suggestion which affects another member's constituency, especially in his absence. But I should like to point out that if that is not agreeable to the hon. member for Hamilton East, then possibly consideration could be given to renaming what is now described as Hamilton South East, because I am sure there will be considerable confusion. If that name could stand over and be considered at another time with respect to bringing in another suggestion I think it would aid in clarifying the description of the constituencies.

I might say that at the time I spoke of this matter to the hon. member for Ottawa West, there was some further confusion as to the section of the constituency of Wentworth which has now been added to Hamilton West. So long as any confusion existed as to whether or not that section which is now added to Hamilton West was to be added to Hamilton South East, it was impossible to select a name for the new constituency which would be properly descriptive of the boundaries of that riding. While I do not press my suggestion with regard to Hamilton East being renamed, I do suggest that item 21 should stand until such time as a suitable name might be suggested for it, to avoid confusion.

Mr. Lennard: I would repeat, the only sensible thing would be to rename what is now Hamilton East and call it Hamilton Centre. I have heard of stupid things being done; I have heard the word "stupid" used in this house. If that remains as it is I consider that it is a very stupid way of handling the proposition there in Hamilton.

Mr. Abbott: What's in a name?

The Chairman: Shall we carry paragraph 20?

Paragraph agreed to.

On paragraph 21—Hamilton South East.

Mrs. Fairclough: Will the committee consider the suggestion I have made, that the name of this constituency should stand in abeyance until we have had an opportunity to consider a suitable name to suggest?

Mr. Harris (Grey-Bruce): I think we could let this one stand because I do not think we will complete the Ontario schedule until after the dinner hour.

Mr. Lennard: May I say a word at this time?

The Chairman: We cannot have it both ways. If it is to be debated, let us debate it.

Mr. Lennard: No, I am not debating anything.

The Chairman: If the paragraph is to stand the hon. member will have to wait until it is brought back before the committee.

Paragraph 21 stands.

Paragraph 22, Hamilton West, agreed to.

On paragraph 23—Hastings-Frontenac.

Mr. Fleming: This is the item pertaining to the proposed new riding of Hastings-Frontenac, and it is in connection with this item that it was suggested that the amendment I proposed to introduce following item 14 might be deferred for consideration.

There is in this area the riding of Kingston City which has a population of 36,870; there is also the riding of Frontenac-Addington, a riding very large in area, with a population

of 36,221 according to the census figures, and that unquestionably is quite adequate for a riding of this very large area.

There was in my submission no reason for tampering with the historic riding of Frontenac-Addington. It has 26 townships and two islands. One would have thought that was quite enough, considering the large area, to warrant it being left alone with a population of 36,221. But what the majority on the committee have proposed, Mr. Chairman, is that the riding of Kingston City should be enlarged by the inclusion therein of three townships lying immediately north of the city, and two islands, Wolfe and Howe, lying immediately south of the city; and that the remaining 21 townships of the present riding of Frontenac-Addington be united with the present riding of Hastings-Peterborough, which is today the largest in the southern part of Ontario. There is no riding south of Parry Sound-Muskoka that can compare with it in size, and it has a population of 26,324. One would have thought there was not much occasion for interfering with the riding, considering the immense area it covers. But what the majority on the committee have done is to propose that 21 townships out of the present riding of Frontenac-Addington be added to the present 28 townships of the riding of Hastings-Peterborough to form the new riding of Hastings-Frontenac, consisting of 49 townships.

I realize that to members from western Canada 49 townships do not sound like a very excessive total. But to members from the older and settled parts of Ontario, as in this part of eastern Ontario, 49 townships represent a huge area, particularly when it is recalled that access to parts of this area is very difficult. What opposition members on the Ontario subcommittee and in the main committee proposed in this respect was that Frontenac-Addington be left alone; that there was no occasion for tampering with Hastings-Peterborough, but if a riding had to be found in that area we said that a more just and equitable result could be achieved by certain changes farther west. We indicated a proposal which would have achieved a much more equitable result, both in terms of area and population included in the ridings affected. Therefore, Mr. Chairman, I am moving this amendment which will have the effect of preserving the riding of Frontenac-Addington in its present form. The amendment I am presenting, seconded by the hon. member for Lambton West, is as follows:

That the schedule to Bill 393 be amended by inserting the following after item 14 on page 8 thereof and renumbering the subsequent items accordingly:

"15. Frontenac-Addington consisting of

(a) the county of Frontenac excluding the city of Kingston; and

(b) that part of the county of Lennox and Addington contained in the townships of Camden, Sheffield, Denbigh, Abinger, Ashby, Effingham, Anglesea and Kaladar, and the village of Newburgh."

Following the adoption of this amendment, with the support of all fair-minded members of the committee, I shall have a similar amendment which will have the effect of preserving the riding of Hastings-Peterborough without change.

This is the nub of the problem, and I sum up in these words: Is it fair and proper that a rural riding with a very large area, comprising three counties, the county of Frontenac and the united counties of Lennox and Addington, with a population of 36,221—ample, surely, to warrant its continuance as a riding, particularly in the light of the large area it embraces—should be carved up in the way that is proposed in the majority report? In the result the riding will be by far the largest in southern Ontario.

Mr. McIlraith: No, no.

Mr. Fleming: It is the largest riding, by far, in southern Ontario. It is larger than anything south of Parry Sound-Muskoka.

Mr. McIlraith: No, no. Victoria is as large, Renfrew North is as large. Parry Sound-Muskoka is larger.

Mr. Fleming: By the time the majority get through with it, this will become an empire. This riding of Hastings-Frontenac now becomes a riding embracing most of the three counties I mentioned, a veritable empire. It consists of 49 townships, some of which are difficult of access. And, if you wish to have comparisons to test the fairness of creating a riding that size, I can give them. The proposed new riding would have a population of 43,741.

Mr. Dewar: How many square miles?

Mr. Fleming: To tell the truth I have lost track of that. It becomes a riding 80 miles wide east and west, and in the north and south dimensions it runs up to 80 miles—

Mr. Fraser: No, 110 miles.

Mr. Fleming: My hon. friend says it is 110 miles. I say to my hon. friend from Saskatchewan that, in the old and settled part of Ontario, that is an empire. It cannot be compared with Saskatchewan standards, where you have townships by the hundreds.

Mr. Dewar: What is the population of that area?

Mr. Fleming: Which part?

Mr. Dewar: The part you are talking about.

Mr. Fleming: I have given the committee the population of Frontenac-Addington, which is 36,221. The population of the riding of Hastings-Peterborough is 26,324.

Mr. Dewar: Does the hon. member think that compares favourably with a population of 35,000 and an area of 110,000 square miles?

Mr. Fleming: I am giving my hon. friend comparisons. Let us keep our comparisons on a fair basis. I suggest a fair basis would be to take the adjoining riding, would it not? Then, if that is fair, let us take the adjoining riding. I look at the constituency of Renfrew South, a riding that lies immediately north of Frontenac-Addington and abuts on the east the riding of Hastings-Peterborough. I suggest the hon. member could not have anything closer for purposes of comparison, could he? That riding of Renfrew South is smaller than the riding of Frontenac-Addington, and it is considerably smaller than the riding of Hastings-Peterborough. By the time this new monstrosity of a riding is created, the largest in southern Ontario, it will be more than twice as large as Renfrew South. I hope my hon. friend gets the significance of that; it will be more than twice as large as Renfrew South.

Mr. McCann: You are just guessing.

Mr. Fleming: Now, what about population? The riding of Renfrew South, when this redistribution is carried out, will have a population of 31,439. Compare that. Here is a riding right alongside the new riding, and smaller than either of the ridings to be merged. It will be less than half the size of the proposed new riding of Hastings-Frontenac. While Renfrew South will have a population of something more than 31,000, the proposed new adjoining riding of Hastings-Frontenac will have a population of 43,000.

Does that commend itself to the sense of fairness and justice of any member of the house, regardless of party? Particularly, does it commend itself to the Prime Minister and his sense of fair play? I ask the Prime Minister if this jibes with the statement of principle he gave the house today, when we see a riding represented by one of his cabinet ministers having a population of 31,000, and right alongside of it a mammoth riding, more than twice the size of the minister's riding, with a population of over 43,000. Where is the principle there, I ask the Prime Minister. Where is the justice there? Where is the fair play there?

Now, behind it all—because we find something back of each of these carvings and butcherings of ridings; we have come to expect it now—is the fact that a riding which is represented today by a Progressive Conservative member, a riding that has been historically Conservative, is today being carved up. There you have the explanation of this monstrosity being perpetrated in the majority report. Where is the principle here? I press this amendment; and when the amendment is carried, with the support of all fair-minded members in the House of Commons, I shall have an amendment to offer with respect to the riding of Hastings-Peterborough, designed to retain that riding in its present form.

Amendment negatived: Yeas, 17; nays, 59.

The Chairman: I declare the amendment lost.

Mr. Fleming: Then I have a further amendment.

The Chairman: Is this a second amendment to item 23, Hastings-Frontenac?

Mr. Fleming: Yes. The defeat of the first amendment does not particularly encourage me to expect success with the second. Nevertheless there may yet be some who will respond to this plea for fair-minded treatment. My appeal to the Prime Minister, and the principle he stated this morning, was not very successful in the presentation of my last amendment, because he and the seven other members of the cabinet who are in the house voted against it. But we shall continue to try.

My second amendment is:

That item 23 in the schedule to Bill 393 be stricken out and the following substituted therefor: "23. Hastings-Peterborough consisting of the county of Hastings and that part of the county of Peterborough included in the townships of Asphodel, Belmont, Methuen, Burleigh, Anstruther, Chandos and Dummer, including the villages of Havelock and Norwood."

Amendment (Mr. Fleming) negatived: Yeas, 19; nays, 61.

Mr. Fraser: I know something about this riding because it takes in the eastern section of Peterborough and part of Hastings county, Frontenac and Lennox and Addington. It is a tremendous riding, and I do not think it fair to place the representation on the shoulders of any one man. There are other ridings, perhaps in the north, that are larger; but this still is a tremendous riding. Except in the north the roads are fairly good, and even the northern roads are being

brought into shape thanks to the help given by the Ontario government. However, it would be almost impossible for a member to cover the riding in one year, as there are many towns and villages throughout the riding. I submit that some consideration should be given to eliminating the Frontenac-Addington section.

There are 7,666 Peterborough people included in this riding, and in drafting the name of this riding no consideration was given to them. If the riding is going to remain as it is set out in the bill, then I suggest that the name should be Hastings-Frontenac-Peterborough, which would recognize those people. They do not want to lose their identity. As things are now they may be represented by a man who lives 90 miles away. I think the minister should consider eliminating some of the townships in the riding, and certainly he should consider adding "Peterborough" to the name so it would be Hastings-Frontenac-Peterborough.

Mr. Harris (Grey-Bruce): I was under the impression that the name had been agreed to unanimously by the subcommittee, but I could be wrong. It was felt that Hastings-Frontenac represented the situation in the constituency better than any combination. If the hon. member would like us to consider the name, the committee might pass the item subject to the consideration of the name over the dinner hour.

Mr. Hodgson: Mr. Chairman, I represent the largest riding in central Ontario and I know the tremendous job it is for one man to represent a large riding such as the one being created here. Perhaps I am a little jealous because this riding will be larger than the one I represent, and I prided myself on having the largest riding.

The area of this riding will be tremendous. This riding is somewhat similar to my own; that is, there are people scattered all over the riding. If the member representing this large riding were to start out on the first day of January to visit his riding he could not be home in time for Christmas. There is no doubt about it, this riding is too large. It could have been carved up differently. For instance, just south of the riding are the two small counties of Northumberland and Durham. These counties operate with one county council. Northumberland could have been carved to help bring up the population in Hastings-Peterborough and also bring up the population in Durham. I can quite see what is contemplated. It is the old procedure to eliminate Progressive Conservative members, because both Northumberland and Durham are represented by Liberal members and the committee would not consider carving either of those ridings though they are both small.

There are only six townships in Durham. For the benefit of western members may I say that some of the townships in Ontario are as large as thirteen miles by nine, whereas I understand that most of the western townships are only six miles square. In future debates hon. members should consider that fact.

The Chairman: Is it agreed that item 23 shall stand?

Mr. Fleming: There is a qualification; the proposal of the minister was that it should be carried but that it should stand as to the name only.

The Chairman: That could not be done. An item could not be carried subject to a change later on. If it is not the intention of the committee to carry the item, it would have to stand.

Mr. Fleming: I would be happy to have the item stand. I am not convinced that hon. members, knowing what is being done here, will wish to go through with it; and I would urge that this item be allowed to stand. I have proposed two amendments, both of which have been defeated. I asked the Prime Minister a question but he has not answered. He voted against both my amendments, and perhaps I should accept that as an answer to my question.

In view of the fact that the Prime Minister is in his seat and has not chosen to give an express answer to my question I am going to repeat my question. I ask the Prime Minister if in the light of his statement of principle this morning in reference to redistribution he considers it fair, equitable and proper redistribution that the riding of Hastings-Peterborough and the great bulk of Frontenac-Addington be combined in this proposed riding to make it by far the largest riding in southern Ontario with a population of 43,741, while right next door is the riding of Renfrew South represented by the Minister of National Revenue with a population under this schedule of 31,439 and less than half the area of the proposed riding of Hastings-Frontenac?

Mr. Henderson: Before this item stands—

The Chairman: Order. Let us have some indication as to whether this item is to stand or be proceeded with.

Mr. Harris (Grey-Bruce): I thought there was unanimous agreement that we would pass the item but allow the name to stand. If that is not so, if that is not within the

rules of the committee, then let the item stand and we will call it first after the dinner recess.

Paragraph stands.

Paragraph 24, Hastings South, agreed to.

On paragraph 25—Huron-Perth.

Mr. Cardiff: I do not wish to reiterate anything I said the other night. I think I placed my case fairly before the house, and I want to thank the main committee for at least doing something to my riding that they previously would not do, by giving me back three municipalities. I have an amendment I wish to move. Am I allowed to speak on it before I move it? Is that proper?

Some hon. Members: Yes.

Mr. Cardiff: We in the county of Huron have already lost one member as the result of the redistribution that is being carried into effect. In view of the importance of some of the rural ridings that are being taken away, may I say that I do not think rural ridings should be discarded because of the fact that you want to boost representation from the cities. In the light of the importance of farmers in the economic life of the country I think the rural sections should have more representation in the House of Commons. Never in my time as a member, and for that matter never in the history of Canada as far as I can recall, have we been properly represented in the house. I do not think that is fair to agriculture. Many rural ridings are represented by doctors, lawyers and what have you from the larger centres in those ridings who perhaps represent them very well. I am not finding any fault, but when a redistribution takes place I cannot see the elimination of rural ridings for the sake of bolstering representation from the cities.

It is not very hard to represent 100,000 people in a city, but it is a difficult thing to represent half that number or less in the country. In most cases city ridings are not more than ten miles square. My riding as it now stands is 100 miles long and about 40 miles wide. If I am given the opportunity to represent the new riding in the future it will be at least 80 miles wide and more than 100 miles long. I have had requests from people who are going to be taken out of that riding and put into Wellington. They do not want to change, and for that reason I am making this plea this afternoon. I know it is going to be useless. After hearing representation after representation made in the house this afternoon for the purpose of trying to correct some of the injustices that have been created and having seen them turned down, I do not see any useful purpose in presenting this amendment, but I intend to do so anyway.

The Prime Minister did credit to himself this morning, but I do not think he has done credit to himself this afternoon. There was nobody who did not appreciate the speech the Prime Minister made this morning. I thought it was fair; and if the principles he laid down had been carried out the result would have been just. Nevertheless, this afternoon time after time we have brought forward amendments that would certainly have been an improvement over what has been done but they have been voted down unanimously by members on the other side of the house. I do not think there is anything further I need to say. I have presented my case. I have not said anything I said the other night. I am only doing this because I feel if you are going to eliminate one seat in Huron, then we are entitled to have the new constituency confined within the boundaries of Huron county. It is for that purpose that I move the following amendment:

That item 25 in the schedule to Bill 393 be stricken out and the following be substituted therefor: "25. Huron consisting of the county of Huron."

The Chairman: Those who are in favour of the amendment will please say "Yea".

Some hon. Members: Yea.

The Chairman: Those opposed will please say "Nay".

Some hon. Members: Nay.

Mr. Fleming: Mr. Chairman, I was on my feet to speak on the amendment when you called for the vote.

An hon. Member: No, it is too late.

Mr. Fleming: I wish to make a brief observation on what is involved in the amendment compared with what is proposed by the committee. I am not going to add anything to the well reasoned and moderate presentation of the case put forth by the hon. member for Huron North both today and on Monday evening. The report of the committee as set forth in the schedule would have involved the union of the present ridings of Huron North and Huron-Perth, but would have taken out of the new riding five townships at the north end which are now represented by the hon. member for Huron North. It would have added to the adjoining riding of Bruce the townships of Ashfield, West Wawanosh and East Wawanosh, and would have added to the present riding of Wellington North the townships of Morris and Grey. It would also have left as a part of the combined riding three townships and one town located within the county of Perth

which are now a part of the riding of Huron-Perth. Notice was given at the opening of the debate in this committee of an amendment which would have the effect of leaving within the proposed new riding of Huron-Perth—

Mr. McIlraith: Huron.

Mr. Fleming: Huron—the three townships of Ashfield, West Wawanosh and East Wawanosh which it was proposed should be added to the riding of Bruce to the north. It is also proposed that two of the townships from the county of Perth be restored to the riding of Perth but that the township of Hibbert, which is not in the county of Huron but in the county of Perth, be left in this riding of Huron. There is going to be a riding to be called Huron, but it does not correspond precisely to the county of Huron. Even in the light of the amendments that are to be offered on the part of the government majority, it is proposed that two townships which are part of the county of Huron be taken out in order to eke out the inadequacy of population in another riding on the northeast, and that a township which belongs to the county of Perth should be put into the riding of Huron.

The very sensible proposal put forward by my colleague the hon. member for Huron North is that instead of doing that carpentry on the county of Huron to make a riding in Huron, there should be a riding of Huron consisting of the county of Huron. It is a very sensible proposal and, as one who was born in the county of Huron, I wish to give it my full and enthusiastic support.

Mr. Drew: I simply want to add this. Here is a case where there is a county which, if it is given its natural boundaries, will have a population that would approximate the number that is being taken as normal in the case of a rural constituency. It surely seems that if there are changes to be made elsewhere, that should not be a reason for breaking up a county which happens to have in its boundaries approximately the right number to conform to the general redistribution that is being made.

As the result of the attempt to use parts of Huron for bolstering the population elsewhere, there is an extraordinary separation of parts of Huron from the county; and the most extraordinary separation of all is the separation of Wingham from the county to which it naturally belongs. Having listened to the arguments of the member for Lincoln, which one can understand, I trust that the member for Lincoln will be supporting this amendment. It would certainly be surprisingly inconsistent to put forward the arguments that he put forward to maintain the population of approximately 90,000 within a single county, and then have him agree to the dismembering of a county which in its own boundaries has approximately the right number by the standard we have—

An hon. Member: Even more.

Mr. Drew: Yes, some 50,000 people; that is more than the number generally being given to rural constituencies. Now, Mr. Chairman, there have been sound arguments in regard to every one of these amendments that have been put forward; but I think of all amendments this is the one most difficult to dispose of. Here is a county standing within its natural boundaries with a population a little higher it is true, but nevertheless approximately the number that would be allocated to a rural constituency; and the only justification that can be given under the circumstances is that it is necessary to take parts of this county to bolster the population of others.

Mr. Chairman, there are other reasons and we know it. The other reasons are to take parts of this county that will help certain members in the adjoining counties. That is what they think; but my impression is that the people who are being dealt with in that way, as pawns in a political game, may not have the same opinion. However, I would hope, having regard to the sentiments expressed by the member for Lincoln in regard to the great desirability of maintaining county boundaries, sentiments we can understand even in the case of Lincoln with its 90,000, that we will hear the member for Lincoln supporting the amendment and voting for it as well.

Mr. Harris (Grey-Bruce): I think certain premises which have been described by the leader of the opposition are not correct. He speaks as though this were a dismemberment of the county of Huron by taking from it certain parts which are now in it in order to bolster adjoining ridings. He has omitted the point that the present county of Huron did have parts of the county of Perth added to it twenty years ago in order to maintain a representation of two members in the House of Commons. That part of the county of Perth which has been added to the county of Huron to maintain the representation consists of three townships, and those three townships are presently in the constituency of Huron-Perth.

When the redistribution subcommittee for Ontario came to consider this problem they

were faced with these facts. It is true that the county of Huron as a unit would have 49,230 odd people. It is true that the county of Perth as a unit would have about 55,000 or 56,000 people. It is also true that every one in that area subscribes to the views that have been expressed this afternoon by the hon. member for Huron North, that rural ridings should if at all possible be maintained in this house. For that reason the committee, and I should say a majority in the committee, felt that it would be better to retain seats in that area, as was done in 1933, by bolstering—if you will use that phrase. The result is that rather than lose two seats in that area, though it was urged upon us that we should—and I know that would not meet with the wishes of the hon. member for Huron North—it was decided to add to the constituency of Wellington North the area immediately adjacent to the county and which is readily accessible to it. Two townships and the town of Wingham were added to the constituency of Wellington North.

In the course of discussing this matter it should be borne in mind that the constituency of Huron North has at the moment some 26,000 people; that the constituency of Huron-Perth has over 30,000 people; and that while there was no general agreement in the subcommittee as to the minimum number which might be used for a constituency, I personally expressed the view that we ought to try to aim at least at 30,000. For that reason it was natural, I think, that we should try to spread the population around without offending too much the principle of county boundaries, about which I shall say something in a moment, and to bolster constituencies which were low.

The result is that the constituency of Wellington North with the addition which has been made to it from the county of Huron—an addition no greater, I may add, than was made to the county of Huron from the county of Perth 20 years ago—now has a population of 30,300 odd. The constituency of Huron as it is suggested here has a population of 43,000; and the constituency of Wellington South has a population of 43,500. I think that redistribution of the population offends no one in any way but preserves one additional seat from that part of rural Ontario.

On the subject of county boundaries, everyone in Ontario recognizes that as far as possible county boundaries should be observed for reasons with which all Ontario members will agree and which I need not describe. It was for that reason that consideration was given to the report after it had been made, and it was found that we were having the county of Huron put in parts of three ridings. That is why the chairman of the Ontario subcommittee moved an amendment, or gave notice of it Monday and I think he is going to move it now, making the changes mentioned; so that the county of Bruce will not take part of the county of Huron, and the county of Huron will be comprised in two constituencies, the county of Perth will be comprised in two constituencies, and the county of Wellington will be comprised in two constituencies.

Mr. Murphy: I would like to add a word before this is settled. This particular allocation would also involve ridings to the north, which would be Bruce, Grey North, and Grey-Bruce. There cannot be any question in the mind of anyone as to the saneness of the idea sponsored or proposed by the present member for Huron North. I was a member of the committee and it was suggested earlier, of course by the Liberals on the committee, that three townships should be added to the county of Bruce or to the riding of Bruce and two should go into this small riding of Wellington North which had a population of 24,463.

I still say, Mr. Chairman, that Bruce could have been bolstered without any need to mutilate Huron, by taking some of the adjoining townships of Grey North or Grey-Bruce, which would also leave a county riding immediately to the east. When objection was taken to the idea of these three townships being removed from that part of Bruce, and the two townships going into North Wellington, the Liberal members of the committee insisted that Huron accept the three townships that were already in that riding from the county of Perth. We tried to demonstrate the fairness of the idea of maintaining county boundaries in so far as possible, and in view of what the minister has just said there is only one reason for having mutilated Huron as is being done here.

I am going to be quite frank when I say this. They left the one township of Perth in the riding of Huron for nothing other than political reasons, as has been their purpose all through redistribution. I am satisfied in my own mind that the people in that particular township would have been glad to have the opportunity of associating themselves again with their own native county of Perth. Knowing that they are going to be put in the county of Huron, I expect they will be very happy to be represented by the sitting member for Huron North.

The Chairman: Shall the amendment carry?

Redistribution

Amendment (Mr. Cardiff) negatived: Yeas, 25; nays, 67.

Mr. Cardiff: Before anything further is said, I want to thank the hon. member for Lincoln for his consistency.

Mr. McIlraith: I move:

That the schedule be amended with respect to item 25 (Huron-Perth) to read "Huron consisting of that part of the county of Perth included in the township of Hibbert and that part of the county of Huron included in the townships of Hullett, McKillop, Stanley, Tuckersmith, Hay, Stephen, Usborne, Grey, Morris, Colborne, Goderich, Ashfield, East Wawanosh and West Wawanosh.

Mr. Fleming: I am not rising to say anything about the amendment which is proposed by the hon. member for Ottawa West. If justice is not to be done in the way proposed by the hon. member for Huron North in his amendment, then it can be said that this amendment is an improvement over the report of the committee as embodied in the printed schedule.

I just wish to observe, Mr. Chairman, that in the official record of debates the names of those who voted against the amendment are not recorded. There were nine ministers in the house who voted on the last amendment, the Prime Minister and eight other ministers, and all voted against the amendment introduced by the hon. member for Huron North.

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 26, Kenora-Rainy River, agreed to.

Paragraph 27, Kent, agreed to.

Paragraph 28, Kingston, agreed to.

Paragraph 29, Lambton-Kent, agreed to.

Paragraph 30, Lambton West, agreed to.

Mr. Fleming: On paragraph 28, Mr. Chairman; we have allowed paragraph 23 to stand, together with an amendment, and as I understand it that may have some bearing on 28. I would suggest that 28 might as well stand along with 23.

Mr. Harris (Grey-Bruce): We stood 23 simply because of the name that was presented.

Mr. Fleming: The whole item is standing, though?

Mr. Harris (Grey-Bruce): That is true.

Mr. Fleming: When we come back at eight o'clock we do not wish to be told that because we have adopted 28 it is not possible then to entertain an amendment or any discussion on item 23 which is now standing. Would it not be better to allow it to stand?

[The Chairman.]

Mr. Harris (Grey-Bruce): The hon. member for Eglinton was never treated in that way in this house, and I do not suppose he will be treated in that way as long as this government is in office.

Mr. Drew: Is it not correct to say that if No. 28 is adopted the discussion on No. 23 becomes meaningless.

Mr. Harris (Grey-Bruce): There will be no question whatever of any suggestion of trickery or anything like that. As it is now six o'clock, we shall let the item stand.

Mr. Fleming: There was no suggestion of trickery at all.

An hon. Member: You do not know what you said.

Mr. Fleming: I know what I said. There was no suggestion of trickery. I know the Minister of Citizenship and Immigration. He and I were old friends long before either of us came to this house. I am not suggesting trickery, and what I said was a far cry from any suggestion of trickery. What I suggested was in keeping with the rules of the house, and was to keep the matter open for a full discussion on item 23 which is standing. I do not want a ruling to be brought forward that because 28 was adopted—

Mr. Fournier (Hull): It stands.

Mr. Fleming: —that therefore the ambit of proper debate on 23 has been narrowed.

Mr. Fournier (Hull): It stands.

Paragraph 28 stands.

The Chairman: When the hon. member asked his question about 28, paragraph 29, Lambton-Kent, and paragraph 30, Lambton West, had been carried; is that the understanding of the committee?

Some hon. Members: Agreed.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at eight o'clock.

The Chairman: We shall now deal with the Ontario schedule, item 21, Hamilton South East.

Mr. McIlraith: I move that the name of the constituency be changed to Hamilton South, dropping the word "East" at the end of the name.

Mrs. Fairclough: I have no objection. I think it was a misnomer; I still think it is a

misnomer. I believe both ridings are improperly named. Nevertheless, if that is the government's suggestion I cannot see anything we can do about it.

Mr. McIlraith: Perhaps we could reconsider and withdraw the amendment.

Mrs. Fairclough: I do not care what you do about it. There is a mile and a half of Hamilton east of Ottawa street below the brow which is certainly not south.

The Chairman: Is the amendment withdrawn?

Mr. McIlraith: Let the amendment stand.

Amendment agreed to.

Mr. Lennard: Mr. Chairman, I just want to say a word on this also, because Hamilton South was carved out of the riding I represent at the moment. I regret losing a lot of loyal and faithful supporters, and I say that sincerely. I have had their support for many years. I might say in connection with the name that the suggestion was made by the hon. member for Hamilton West that this riding's name be changed to Hamilton-Barton. That was suggested because of the fact that this new riding of Hamilton South takes in the township of Barton which has been incorporated in the confines of the city of Hamilton. That township has been obliterated politically. There is a part of Saltfleet township in it that will retain the name, and I do feel that Hamilton-Barton would have been a better name to have called this riding, which is now Hamilton South. I merely repeat it is with regret on my part that I have to lose all these good people, but I realize that something had to be done in Hamilton. I think this plan is a good one. I have no complaints about that new riding, because I think it is probably the best plan that could have been arranged in the circumstances.

Paragraph as amended agreed to.

On paragraph 23—Hastings-Frontenac.

The Chairman: This is another one that was laid over.

Mr. Harris (Grey-Bruce): The only reason it stood over was this. The request was made that the constituency should be named Hastings-Peterborough-Frontenac. There is some difference of opinion on it. I personally have given some consideration to it, and this is my opinion. It is understandable that 7,600 residents of the county of Peterborough in that constituency would like to have their name perpetuated in the constituency's name. The fact is that in the province of Ontario we do not have riding names that run into three county names. I suggest that we leave this constituency as it is, Hastings-Frontenac, and that we name what is now Peterborough West just Peterborough.

Mr. Fraser: I am very glad the minister feels that the word "West" can be cut out of Peterborough West. It is just Peterborough, no west about it. It comprises the whole city, and I am quite satisfied.

Mr. Lennard: There is one word I wish to say at this time. The county of Addington loses its identity in the set-up. It is not mentioned in any riding name in eastern Ontario.

The Chairman: Shall the paragraph carry?

Mr. Fleming: On division.

Paragraph agreed to.

On paragraph 28—Kingston.

The Chairman: Shall paragraph 28 carry?

Mr. Fleming: On division.

Paragraph agreed to.

Paragraph 31, Lanark, agreed to.

Paragraph 32, Leeds, agreed to.

Paragraph 33, Lincoln, agreed to.

Paragraph 34, London, agreed to.

On paragraph 35—Middlesex East.

Mr. White (Middlesex East): Just before you pass this paragraph I should like to say that because of what has gone on in the last two or three days, this committee should be the retribution committee instead of the redistribution committee.

Coming back to Middlesex East, all I want to say about it is that I regret a part of the township of London is now being added to Middlesex West. Nevertheless it is part of the march of events, the shift of population. Back in 1947 the township of Biddulph was taken from Middlesex East and added to Middlesex West, and now part of the township of London. I mention that for the benefit of the committee. I want to say that about 22,000 people inside the incorporated city of London are and have been a part of Middlesex East for electoral purposes. No doubt by the time 1961 rolls around London will be entitled to two members.

While I regret the possible passing of another rural seat, it looks as though before too many years will have passed this will happen. Regardless of what changes are made now or at any future time, I have enjoyed representing the people of London township

who now find themselves in Middlesex West, and I shall continue to serve them as well as I possibly can.

Mr. McIlraith: There is an amendment here involving a description of the road line. Perhaps I should read it:

That the schedule be amended with respect to item No. 35—

Middlesex East consisting of that part of the county of Middlesex contained in the townships of Dorchester North, Nissouri West, Westminster and that part of the township of London lying east of a line which may be described as follows: commencing at the intersection of the west boundary of lot sixteen with the north boundary of the township of London and then southerly along the west boundary of said lot and the west boundary of the tier of lots south thereof to its intersection with western (Old Proof line) road; thence southwesterly along western (Old Proof line) road to the western limit of the city of London at the intersection of Essex street and Platts lane; together with that part of the city of London lying east of a line described as commencing at the intersection of Cheapside street and Adelaide street; thence southerly along Adelaide street to Oxford street, thence easterly along Oxford street to the east boundary of Carling Heights; thence southerly along the said east boundary and its production southerly to its intersection with the production westerly of the south side of Middleton avenue; thence easterly along the said production westerly of the south side of Middleton avenue and the south side of Middleton avenue to Glasgow street; thence southerly along the west side of Glasgow street produced to Lorne avenue; thence easterly along the north side of Lorne avenue produced to Burbrook place; thence southerly along Burbrook place to Dundas street; thence easterly along Dundas street to its intersection with the production northerly of Swinyard street; thence southerly along the said production of Swinyard street, Swinyard street and its southerly production to Pine street; thence northwesterly along Pine street to Elm street; thence southerly along Elm street to Trafalgar street; thence westerly along Trafalgar street to Adelaide street; thence southerly along Adelaide street to the south branch of the river Thames; thence westerly along the river Thames downstream to its intersection with the northerly production of Beverly street; thence southerly along the said production and along Beverly street and Wellington road to the south boundary of the city.

The Chairman: Shall the amendment carry?

Mr. Lennard: Is that the description of the boundary we discussed the other day?

Mr. McIlraith: Yes, that is the description that was given to the hon. member for Eglinton on Monday, the precise document.

Amendment agreed to.

Paragraph as amended agreed to.

On paragraph 36—Middlesex West.

Mr. McIlraith: I have a second amendment on the definition of the road, which is consequent upon the other one, and which I gave to the hon. member for Eglinton on Monday. The amendment reads:

That the schedule be amended with respect to item No. 36—Middlesex West consisting of the county of Middlesex (excluding the townships of Dorchester North, Nissouri West, Westminster and that part of the township of London lying east of a line which may be described as follows: Commencing at the intersection of the west boundary of lot sixteen with the north boundary of the township of London and then southerly along the west boundary of said lot and the west boundary of the tier of lots south thereof to its intersection with western (Old Proof line) road, thence southwesterly along western (Old Proof line) road to the western limit of the city of London at the intersection of Essex street and Platts lane.)

[Mr. White (Middlesex East).]

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 37, Niagara Falls, agreed to.

Paragraph 38, Nickel Belt, agreed to.

Paragraph 39, Nipissing, agreed to.

Paragraph 40, Norfolk, agreed to.

On paragraph 41—Northumberland.

Mr. Hodgson: Mr. Chairman, in view of the fact that Durham and Northumberland are united for county purposes, I suggest they should have been united for federal purposes as well. Part of Northumberland could have been put into Hastings-Peterborough, and the balance into Durham.

Paragraph agreed to.

Paragraph 42, Ontario, agreed to.

On paragraph 43—Ottawa East.

Mr. McIlraith: Mr. Chairman, there is an amendment to this paragraph. I move:

That the schedule be amended with respect to item 43 (Ottawa East) by inserting the words "the village of Rockcliffe Park and" between the words "of" and "that" in the first line thereof.

Those words were left out, although the boundaries were properly described.

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 44, Ottawa West, agreed to.

Paragraph 45, Oxford, agreed to.

Paragraph 46, Parry Sound-Muskoka, agreed to.

Paragraph 47, Peel, agreed to.

On paragraph 48—Perth.

Mr. McIlraith: I move the following amendment:

That the schedule be amended with respect to item 48 (Perth) to read "Perth consisting of the county of Perth excepting therefrom the township of Hibbert but including the city of Stratford and that part of the village of Tavestock contained in the township of Easthope South."

Mr. Murphy: Do I understand the hon. member to say that Perth is taking in only Fullerton?

Mr. McIlraith: No; Hibbert.

Mr. Murphy: As I understand it, Hibbert goes into Huron.

Mr. Harris (Grey-Bruce): That is right. The motion is that Perth shall consist of the county of Perth, excepting therefrom the township of Hibbert, etc.

Amendment agreed to.

Paragraph as amended agreed to.

On paragraph 49—Peterborough West.

Mr. Fraser: I would like to see the deletion of "West" from this constituency name, so it would be named Peterborough.

Mr. Harris (Grey-Bruce): That would be satisfactory.

Mr. Fraser: Then I move that the word "West" be deleted from the name of this constituency.

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 50, Port Arthur, agreed to.

Paragraph 51, Prince Edward-Lennox, agreed to.

Paragraph 52, Renfrew North, agreed to.

On paragraph 53—Renfrew South.

Mr. McIlraith: I move:

That the word "Nipissing" be deleted where it appears in the second to last line of this paragraph, and that the word "Renfrew" be substituted therefor.

This is a printer's error.

Amendment agreed to.

Paragraph as amended agreed to.

On paragraph 54—Russell.

Mr. McIlraith: Mr. Chairman, I move:

That the schedule be amended with respect to item 54 (Russell) by adding in brackets at the end thereof the words "excluding therefrom the village of Rockcliffe Park."

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 55, Simcoe East, agreed to.

Paragraph 56, Simcoe North, agreed to.

Paragraph 57, Stormont, agreed to.

Paragraph 58, Sudbury, agreed to.

Paragraph 59, Timiskaming, agreed to.

Paragraph 60, Timmins, agreed to.

Paragraph 61, Victoria, agreed to.

Paragraph 62, Waterloo North, agreed to.

Paragraph 63, Waterloo South, agreed to.

Paragraph 64, Welland, agreed to.

On paragraph 65—Wellington North.

Mr. McIlraith: I move:

That the schedule be amended with respect to item 65 (Wellington North) to read "Wellington-Huron consisting of that part of the county of Wellington contained in the townships of Arthur, Garafraxa West, Maryborough, Minto, Nichol, Peel and West Luther, including the towns of Mount Forest and Palmerston, and that part of the county of Huron contained in the townships of Howick, Turnberry, and the town of Wingham".

The Chairman: Shall the amendment carry?

Mr. Murphy: On division.

Amendment agreed to.

Mr. Darroch: Mr. Chairman, as a little man from what was described this afternoon as a little riding, and who has taken up little time of the house, I wish to say a few words with respect to this constituency.

Let me state quite emphatically, after listening to suggestions as to what had taken place in Ontario caucuses that I never was in an Ontario Liberal caucus where redistribution was discussed. I would also bear out what was said by the hon. member for Ottawa West, that any time we did discuss this matter we were the only persons in his office. There have been some hints that what was said by the hon. member was not correct, and I wish to state at once that so far as I am concerned his statement was correct.

The problem confronting the committee in connection with this riding was that they had to consider the county of Huron with 49,280, Perth with 52,434 and Wellington with 66,930. I have no illusions whatsoever as to what would have happened to these counties if the redistribution had been carried out by a commission.

I have listened with interest to the many able speeches regarding having this work done by a commission, and perhaps what I shall now say will be somewhat out of order. I take this opportunity, however, to trespass slightly on the rules to the extent of commenting briefly on the speeches of the leader of the opposition and those of the distinguished and eloquent members from Eglinton and Greenwood, as well as their junior partner, the hon. member for Broadview. When they were speaking I could not help wondering what effect this bill would have on the activities of the premier of Ontario when the next redistribution in that province takes place.

Mr. Murphy: What has that to do with it?

Mr. Darroch: I listened with interest to what was said by my good friend and neighbour the hon. member for Huron North, and with nearly everything he said I am in complete

agreement. With the exception of our being on different sides politically, the hon. member and I have many things in common. We are neighbours. Each of us has had the privilege of serving our respective municipalities on county councils. I can think of no way in which one can develop a greater pride for his county than through the associations he makes meeting fellow members of county councils.

I know the pride counties have in their history. Each county has something of which it is justly proud. I can remember that for years—and I believe it is still true—we prided ourselves in Wellington county on being the only county in Ontario with no debenture debt. All these are things that happen in the life of any municipality, of which the people are justly proud. The people of Ontario are jealous of their county boundaries, and they do not like to see them destroyed. I sympathize with the hon. member for Huron North when he objects to a part of the county of Huron being included in Wellington to make a new riding. While he may regret that that section of his county has been moved over, I can assure him that it is coming into a perfectly good home and his good friends there will suffer in no way from the move.

This subject of redistribution seems to be approached at times in a selfish manner. Speaker after speaker has referred to the riding he represents as "my riding." I do not think a riding belongs to anybody. We should consider the people making up that riding more than the individual member. I have enjoyed my association with certain members who by reason of redistribution may find it difficult to be members of the next parliament, and of course there may be others as well.

An hon. Member: From all parties.

Mr. Darroch: That is what I mean. Representation by population may be fair and justifiable in connection with urban representation, but when it comes to be applied to a province like Ontario it is absolutely out of date today. I think it belongs to the horse and buggy days. I agree with what the hon. member for Huron North said this afternoon, that rural Ontario could not expect to get the proper representation if we adopted the principle of representation by population. Factors other than boundary lines and population should be taken into consideration when dealing with this matter.

A riding similar to this was suggested a couple of months ago in an editorial in the Fergus *News-Record*. The editor of that paper is outstanding in the weekly newspaper field in this province. I do not know his politics, but he did suggest that the village of Fergus—it will soon be a town—would be much happier if it were included in Wellington North. He did not criticize the present representation, but he did suggest that they were rather overshadowed by being in the same riding with the city of Guelph.

This riding will be comprised of nine townships, four incorporated towns and four incorporated villages all lying north of highway 86. The rural population will be 16,936 with the urban population totalling 13,536. The charge of gerrymandering can hardly be made in connection with this riding. It might be interesting to note that the section of Huron North which is to be included in the proposed Wellington-Huron riding gave a Liberal majority in 1940 of 128; in 1945 it gave a Conservative majority of 311, and in 1949 it gave a Liberal majority of 23. I think it should be mentioned that the Liberal candidate in the 1949 election lived in Wingham. Like all towns, they were proud of their native son and gave him support regardless of his political affiliation.

I think the committee should be commended for giving another seat to rural Ontario. As I said before, I am quite sure that if it had been left to a judicial or other kind of committee which would have considered only representation by population or county boundaries, rural Ontario would have one less representative here at Ottawa. I do not know whether the new representative will be Liberal or Conservative, but on behalf of the farmers in that area I think I should thank the committee for having added another rural riding.

Mr. Hodgson: I listened to the hon. member for Wellington North eulogizing his constituency, and I do not blame him because it is a good agricultural district; but he seemed to be worrying about the redistribution that will be coming up in Ontario. I do not think he need worry about Mr. Frost and the province of Ontario. I think the last election showed that the people are quite satisfied with him. I believe Mr. Frost and his party are quite capable of looking after the province of Ontario. I feel satisfied that when the redistribution bill comes up in Ontario they will not wield the political axe with the dexterity that has been shown here but will continue good government.

Paragraph as amended agreed to.

On paragraph 66—Wellington South.

Mr. McIlraith: I move:

That the schedule be amended with respect to item 66 (Wellington South) to read "consisting of the city of Guelph and that part of the county of

Wellington contained in the townships of Puslinch, Eramosa, Guelph, Erin and Pilkington, including the village of Elora."

Mr. Hosking: Mr. Chairman, I have not taken up very much of the time of the committee, and I should now like to take a moment or two to discuss the riding of Wellington South. When redistribution occurs hon. members of the house face three principal results. The first, and possibly the most unpleasant, is to find that population has shifted from a riding so that it becomes necessary to eliminate it. The second is to have people added to your riding who may be of a different political faith. The third is to represent a riding where voters favourable to you are taken away. I sympathize with any hon. member who has had to face any of these rather unpleasant situations. I can say to them that members on this side of the house experience the same feelings when it happens to them. We can assess the results of these alterations just as clearly as members of the opposition, and with very much the same feelings. There is going to be a shift of between 8,000 and 10,000 people in the riding I represent. It is deemed necessary, and I really believe it is necessary, to give away the township of Pilkington, which includes the town of Fergus, in order to retain the rural riding of Wellington-Huron for the province. I am sorry to see my many friends from that historic township and the Scottish industrial centre of Fergus leaving the riding I represent. When I came to Wellington South in 1946 I did not know many of the people in the township of Pilkington or the village of Fergus. Since that time I have had the opportunity of serving them and by doing so many people have become friendly to me and I hope I have been friendly to them.

One cannot break such connections without regret whether you be a Liberal or a Conservative, and it is with regret that I view the loss of these people from Wellington South. A very large area is also being added to the riding. It includes the township of Erin, which is not nearly as densely populated. I am glad to say to these people that I shall be pleased to serve them just as well as it is humanly possible. Most of them will remember that they were in this riding at one time, and in returning to it I hope they will feel free to come and make their requests to me. If their requests are reasonable I will see that they are carried out.

Mr. Graydon: You are getting down to a good neighbourhood now.

Mr. Hosking: I am pleased to come near the county of Peel and the riding of my good friend.

Amendment agreed to.

Paragraph as amended agreed to.

On paragraph 67—Wentworth.

Mr. Lennard: With respect to item 67, the riding of Wentworth, as we have reached this stage in our proceedings I wish to say that on behalf of the people of Wentworth I welcome back into the fold the people in the four townships of Beverly, Ancaster, Glanford and Binbrook. For the past several years these townships were not in my riding. As those members of the committee know who were here when the last redistribution bill was up for discussion, I objected to that very strenuously. Like the hon. member for Lincoln, I believe in maintaining county boundaries as far as possible; and I welcome these four townships back into the fold on behalf of the people of Wentworth. I am sure they are delighted to be back, and I am sure their friends and neighbours are delighted to have them.

In connection with that part of Wentworth riding which is now lost to us I merely say, as I said before on behalf of the people of Wentworth, that I regret losing many loyal supporters of our party and myself during the past few years who will now be in the new riding of Hamilton South and who were in that part of Wentworth riding which will now be in Hamilton West. They are a lot of good people.

Mr. Riley: Louder.

Mr. Lennard: Take the wool out of your ears and you will hear me all right.

Mr. Riley: What's that?

Mr. Lennard: That's you.

Mr. Riley: Take the potato out of your mouth.

Mr. Lennard: I repeat that I regret that these people have to leave us, but under the circumstances I realize that the best arrangement that could have been made in creating a new riding in the Hamilton area was made, and I am quite in agreement with it. However, I should like to say that I was not consulted too much with respect to these ridings. The new riding was practically carved out of my riding, and the plan was published in the Hamilton *Spectator* on May 14 last. I must say that I was not consulted in the matter. I see the hon. member for Ottawa West is anxious to rise. I agree that there was one alteration. There was a bit taken

away from Hamilton East and put in that riding; but apart from that, the plan published in the Hamilton *Spectator* is the plan we have today. I merely repeat that so far as the new riding of Wentworth is concerned I feel it is an improvement on what we have had because we have now got back to county boundaries, and I am always in favour of maintaining county boundaries where it is possible to do so.

Paragraph agreed to.

Paragraph 68, York Centre, agreed to.

Paragraph 69, York East, agreed to.

On paragraph 70—York-Humber.

Mr. McIlraith: I have a small amendment. I move:

That the schedule be amended with respect to item 70 (York-Humber) by adding at the end thereof the following words: "and excluding therefrom Ellis Court apartments."

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 71, York North, agreed to.

Paragraph 72, York-Scarborough, agreed to.

Paragraph 73, York South, agreed to.

On paragraph 74—York West.

Mr. McIlraith: I have an amendment here. I move:

That the schedule be amended with respect to item 74 (York West) by striking out after the words "Long Branch" where they appear in line 16 all the words thereafter.

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 75, Broadview, agreed to.

Paragraph 76, Danforth, agreed to.

Paragraph 77, Davenport, agreed to.

Paragraph 78, Eglinton, agreed to.

Paragraph 79, Greenwood, agreed to.

On paragraph 80—High Park.

Mr. McIlraith: With respect to item 80, I move:

That the schedule be amended with respect to item 80 (High Park) by inserting the words "easterly along Howard Park avenue to Sunnyside avenue; thence" after the word "thence" and before the word "southerly" in line 5 thereof, and striking out all the words after "lake Ontario".

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 81, Parkdale, agreed to.

Paragraph 82, Rosedale, agreed to.

Paragraph 83, St. Paul's, agreed to.

Paragraph 84, Spadina, agreed to.

Paragraph 85, Trinity, agreed to.

Ontario schedule agreed to.

On the schedules—Quebec.

Mr. Gauthier (Portneuf): I have just consulted with the hon. members for Labelle and Roberval about trying to obtain the permission of the house to call the Quebec schedule as one item because there are only two very minor changes to be made in item 27 and item 39, I believe. I do not say we never had any discussions in the Quebec committee, but we kept the discussions within the family circle and everything was done with the full co-operation of the ministers from Quebec and the members from Quebec on both sides of the house. I say that because we have had the full co-operation of all members of the subcommittee including the members for Trois-Rivières, Notre-Dame-de-Grâce, St. Denis, Bellechasse and Portneuf. I think we should be allowed to bring in the schedule as one item.

The Chairman: Is it agreed that all the items for Quebec be called at once?

Some hon. Members: Agreed.

Mr. Gauthier (Portneuf): I would like to move:

That the schedule, with respect to the province of Quebec, be amended by deleting paragraph (c) at the end of the description of the electoral district "27. Longueuil" and by adding the said paragraph (c) at the end of the description of electoral district "39. Richelieu-Verchères."

I would also like to move:

That the schedule with respect to the province of Quebec be amended by substituting the words "Saint-Jacques" for the words "St. James" at the beginning of paragraph 72.

In the case of Trois-Rivières the name was not translated and we would ask that here the name be not translated into St. James.

Mr. Graydon: Is it going to be Saint-Jacques street?

Mr. Gauthier (Portneuf): It is always Saint-Jacques street but you can call it St. James if you like.

The Chairman: Hon. members have heard the amendments. Shall the amendments carry?

Amendments agreed to.

Quebec schedule agreed to.

On the schedules—Nova Scotia.

Paragraph 1, Antigonish-Guysborough, agreed to.

Paragraph 2, Cape Breton North and Victoria, agreed to.

Paragraph 3, Cape Breton South, agreed to.

Paragraph 4, Colchester-Hants, agreed to.

Paragraph 5, Cumberland, agreed to.

On paragraph 6—Digby-Annapolis-Kings.

Mr. Fleming: I have an amendment on paragraph No. 6 Digby-Annapolis-Kings. The amendment is:

That the schedule to this act be amended by striking out paragraph 6 relating to Nova Scotia on page 45 and the following substituted therefor:

"6. Annapolis-Kings, consisting of the counties of Annapolis and Kings."

Mr. Chairman, in view of the discussion this matter has had already in the house I do not think I need to spend much time reviewing the aspects of the proposed amendment; but I will point out to the committee that the amendment does give an opportunity to effect equalization of representation in three adjoining ridings.

The report of the majority of the maritimes subcommittee and the main committee as embodied in the schedule will have the result that the riding of Queens-Lunenburg will have a population of 45,800; the riding of Shelburne-Yarmouth-Clare will have a population of 45,595 and the riding of Digby-Annapolis-Kings will have a population of 66,510. It cannot be said that that is equality of representation. The amendment if adopted will have the effect of equalizing representation among these three ridings, and Mr. Chairman, if this amendment is adopted with the support of fair-minded members of the house, there will be a corresponding amendment in clauses 10 and 11 with the following object in view.

The Chairman: Order.

Mr. Fleming: There will be a riding of Queens-Lunenburg-Shelburne—that is to say with the municipality of Shelburne—with a total population of 53,619. The amendment to No. 11 will have the effect of creating a riding of Shelburne-Yarmouth with the inclusion of Barrington municipality, having a total population of 49,356. The adoption of the amendment now submitted will have the effect of continuing the present riding of Annapolis-Kings unchanged with a population of 54,930.

Mr. Chairman, if the purpose of redistribution is to effect equality of representation as between comparable ridings, the case for the amendment is overwhelming and unanswerable, whereas the best that can be said for the majority report as embodied in the schedule is that it will have the effect of creating such a disparity in representation as between the riding of Digby-Annapolis-Kings on the one hand and the ridings of Queens-Lunenburg and Shelburne-Yarmouth-Clare on the other that the first named riding will have approximately 45 per cent more population than the two last named ridings, which are adjacent and comparable with it in every respect.

Amendment (Mr. Fleming) negatived: Yeas, 19; nays, 64.

Mr. Nowlan: Mr. Chairman, before the schedule carries I would like to say one word. I want to join with the statements of the minister and the hon. member from Antigonish-Guysborough who spoke this morning in paying tribute to the hon. member who represents Queens-Shelburne constituency at the present time. I want to associate myself entirely with everything that was said by those gentlemen with respect to the gentleman who has represented the constituency so well. I know that we all regret the fact that, due to physical condition and a very serious illness from which he is making recovery, it is impossible for him to be here at this time. When the minister suggested that it was the constituency of Queens-Shelburne which was really suffering the loss because they were being deprived of his services I think that was a fair statement; and I think the minister will also agree that because of his physical disabilities it would be improbable that he would embark upon political enterprise in the future. That is at least one of the factors that enters into the situation.

I want also to refer to one thing the minister said yesterday, to the effect that we were going back to the same system of redistribution which had been agreed upon in 1933. That, of course, is a factual statement, Mr. Chairman. We are going back to the redistribution of 1933.

I think it would be worth while if one looked at the figures for a moment to ascertain the situation in 1933 and the situation today. This morning I had an opportunity of consulting the census records, and found the census figures for 1931 on which that redistribution was based and the census figures for today. I find that in 1931 the constituency which was redistributed at that time, Annapolis-Kings and the Digby municipality, had a population of 49,447; today, it is 66,510. The minister was dealing with percentages yesterday, and that is a percentage increase of 34·5 per cent as between the proposed constituency now and the constituency as it was redistributed in 1931. As a matter of fact, the increase in Annapolis and Kings counties is almost twice as great as was the entire population of Digby municipality

which was added at that time. If that situation had existed in 1931 no such redistribution would have taken place.

On the other hand, the proposed constituency of Shelburne-Yarmouth-Clare has a population of 45,595, as compared with 41,572, or an increase of 4,000 and a percentage increase of 9·6 per cent. The constituency of Queens-Lunenburg has a population of 45,800 as compared with 42,286, an increase of 3,519 or a percentage increase of 8·3 per cent. You get a spread there between the largest and smallest constituencies, that is the constituency of Digby-Annapolis-Kings which in the redistribution of 1931 was the largest constituency, as it is today, and the constituency of Shelburne-Yarmouth-Clare, which was the smallest then as it is today. I believe the spread was only 7,875 then, whereas the spread now between those same constituencies is 20,915, or virtually 21,000. When one quotes those figures, Mr. Chairman, one can see why redistribution takes place. It is for the reason that places do not stand still and you get variations in population that we have redistribution. Otherwise, there would be no point in having it at all; and what has the redistribution of 1933 to do with the problems of today?

There was one reference made this morning by the hon. member for Antigonish-Guysborough to which I should like to reply very briefly. I could not clearly hear the statements which were made from where I was sitting, but I caught part of them and I understood there was some reference to the fact that the committee did not agree on Annapolis-Kings being kept independent and unchanged, but that we had agreed on Digby-Annapolis-Kings remaining apparently the same as it was in 1931. Then the hon. member went on to say that I suggested that Queens-Shelburne be added to Lunenburg.

I have a long standing friendship with and a great regard for the present member for Digby-Yarmouth, but notwithstanding that I do not think I would be quite so foolish or shall I say stupid—a word which has apparently come into good usage—that I would have agreed to allow that member to reduce his constituency by adding Digby to Annapolis-Kings and to accept no additional territory at all. In other words, the constituency of Yarmouth would have been smaller after redistribution than it was before. Certainly that was not ever discussed by the committee. I think even to suggest such a thing shows how fallacious that argument is, because at that time of course there was no thought of Digby-Annapolis-Kings. The agreement was on Annapolis-Kings, that it would remain as such, but that some redistribution would be made with respect to Queens-Shelburne. Certainly we were not agreeing and no one would think of agreeing that the constituency of Digby-Yarmouth should be even smaller after redistribution than it was before.

I am not going over the figures and arguments that were used yesterday in regard to this matter, but I did want to mention those two matters that had been raised. This morning there was also some suggestion that I had commandeered or drafted someone from outside the province into the debate. I commandeered no one. The only ones from outside of the province who spoke were members of the committee. The member of another party, as well as the member for Royal, sat on the committee and they gave their recollections of what took place in that committee. Yesterday as I recall it, the minister said he was in Nova Scotia at the time and read about this in the press. How could it have gotten into the press, Mr. Chairman, if it did not happen? The press must have been reporting something which had been agreed upon, or which they thought was agreed upon, because I am sure the reporters for that paper—I presume the minister referred to the Halifax paper—are reliable. If a report was carried in that paper on this proposed decision whereby Annapolis-Kings was to be left alone, then that reporter must have had something to base that story upon. He certainly did not get it from me. Apparently after some weeks a change was made in that, but now that is a matter of history; and I simply wanted to refer to those things which were dealt with yesterday.

Paragraph agreed to.

Paragraph 7, Halifax, agreed to.

Paragraph 8, Inverness-Richmond, agreed to.

Paragraph 9, Pictou, agreed to.

Paragraph 10, Queens-Lunenburg, agreed to.

Paragraph 11, Shelburne-Yarmouth-Clare, agreed to.

Nova Scotia schedule agreed to.

New Brunswick schedule agreed to.

On the schedules—Prince Edward Island.

On paragraph 1—Kings.

Mr. MacLean (Queens): It is not my intention to detain the house for any great length of time, but there are a few general remarks I should like to make on this item. This schedule provides, of course, as has been the case for a great number of years, for four seats for Prince Edward Island. In some

parts of the country, there is objection to the fact that Prince Edward Island should have even four seats. As a matter of fact, it has those four seats not entirely by virtue of population but by virtue of the fact there is a protecting clause which provides that no province will have a lesser number of members in the House of Commons than it has senators.

In order to review the position very briefly, I should like to quote from a book by Norman Ward entitled "The Canadian House of Commons", at page 25. He speaks of the terms under which Prince Edward Island entered confederation, and I read:

> In 1873 the island became the seventh Canadian province, and though entitled to only five members, received six because the population had increased "by 15,000 or upwards since the year 1861." These six were not protected as were the seats of the two western provinces, and in due course the operation of the British North America Act—to the great dismay of the maritime members—reduced the island's six to three.

In commenting on that the author says that the western provinces, when they entered confederation, were granted a greater number of seats than they would have been entitled to on a population basis, and there was a protecting clause in their agreement which specified that their representation in this house should never fall below that original number. In that connection the author says:

> It is impossible to determine why Prince Edward Island's quota of seats was not protected.

That is all I have to say in that regard. But I do want to put on record the fact that if any change in the number of the representation in the province of Prince Edward Island should be made, that change ought to be upward. I am very pleased to see that no suggestion has been made that it should be further reduced. I am very pleased with that aspect of the situation. But I see that no change is made in the description of any of the three ridings. That brings up another point which I am a bit hesitant to speak about; nevertheless I feel constrained to express a point of view which is prevalent in the riding which I represent.

I recognize, Mr. Chairman, that there are four members in this house who represent dual ridings, three of whom are senior to me, and I respect their good judgment. I know that they too have agreed that the principle of dual ridings is at least acceptable. It is not my intention to try to change their views, or to object strenuously to the position which has been taken. Nevertheless I would not want the impression to be created that dual ridings are completely ideal, or even approach the ideal, because they have certain inherent disadvantages.

I should like to bring that to the attention of the house at the present time and express my wish that when the next redistribution comes around the program that was instituted a number of years ago might be completed, namely the program of doing away entirely with dual ridings. As all hon. members know, there was a time when there were a fairly large number of dual ridings. They have all been eliminated with the exception of the ridings of Halifax and Queens.

When Prince Edward Island joined confederation it had six seats in the House of Commons, but three ridings. There were three dual ridings. When the representation of Prince Edward Island dropped to five, five single ridings were created. After the census of 1901 the representation dropped to four, and the dual riding of Queens was created or re-created, leaving one dual riding in the province and two single ridings.

These dual ridings have certain inherent disadvantages. To begin with they are exceptions to the general rule, and their very existence creates considerable difficulty, I would imagine, for the officials who are responsible for carrying on an election, of course chiefly the electoral officers. They require, too, that a large number of exceptions to general principles be set down in the election act, which makes for difficulty of interpretation. In addition they create confusion in the minds of many voters because, as every hon. member will recognize, in a single constituency if there are three parties represented by candidates the voter has three choices. He may vote for any one of three men; but in a dual riding if three parties are represented, it means that there are six names on the ballot, and the voter has the choice of voting for any two, which gives him 120 combinations of ways he can vote. In addition to that, because the election act is not very clear on the point, he also has the opportunity of, if you like, exercising half his franchise. He can vote for one man and it is still a good ballot, which gives him 125 choices. I mention this because these difficulties—although they would not appear to be pertinent at the moment—would be eliminated if the dual riding was eliminated, because dual ridings create these exceptions.

Having said that, I think I have perhaps sufficiently pointed out that there is a large body of opinion in the riding which I represent, representative of all political parties,

which feels very strongly that dual ridings should be done away with. I recognize that under the circumstances perhaps the most acceptable compromise has been arrived at, and perhaps the committee in dealing with the problem has done the best that could be hoped for; but I still feel there is a great deal of room for improvement, and if I were to compliment the committee on this I do not think I would be completely justified. I recognize that the chairman of the sub-committee that dealt with this, and also the chairman of the general committee, are men whom I can sincerely congratulate on many occasions. But if I were to congratulate them on this occasion for this effort I am afraid I would be something less than sincere.

Paragraph 1, Kings, agreed to.

Paragraph 2, Prince, agreed to.

Paragraph 3, Queens, agreed to.

Prince Edward Island schedule agreed to.

The Chairman: We shall now deal with the province of Manitoba.

On the schedules—Manitoba.

On paragraph 1—Brandon-Souris.

Mr. Fleming: Mr. Chairman, I cannot let item No. 1 pass without again expressing very great regret that the government majority has seen fit to coalesce these two ridings of Brandon and Souris for the purpose of eliminating a riding now held by the Progressive Conservatives. The matter has had extended discussion during the past several days. I do not intend to repeat the arguments and criticisms and condemnation that have been properly levelled at the government for doing what they have done in this matter.

Mr. Bryce: As one of the members who have had their constituency removed from the map of Manitoba I have just a few remarks I would like to make at this time.

First I want to say how pleased I am that the committee has at least retained the name of Selkirk in the Manitoba schedule. In the redistribution previous to this that riding took a bad beating. In this redistribution it has been completely wiped out. I am convinced that no government, either provincial or federal, would dare remove the name Selkirk from the Red river valley, no matter what else they may do to it. And it gives me great pleasure to see the historical name of Selkirk retained, a name which will always be associated with the hardy Scottish pioneers who settled in the Red river valley.

Despite the fact that the people I have represented since coming to the House of Commons are now distributed amongst about seven different ridings, I am not complaining because I am convinced that the new boundaries that have been drawn for the riding of Selkirk will contain the same kind of people with the same high intelligence and the same keen desire for honest representation, and that when the next election rolls around they will use their intelligence and franchise to the end that the man who represents them will carry their banner with honour and dignity.

While I regret very much having the people I have represented since coming to the House of Commons allocated to other ridings, I am delighted to have had the privilege of representing them in this house for at least a few years. And I am certainly not taking the attitude that I am going to be obliged to run in a foreign country. I know the committee had a difficult job to do, and they did a first-class job on me. Nevertheless it was done in accordance with the rules of the game as they are now laid down, and somebody had to get hurt. But having been brought up on a diet of oatmeal, my shoulders are broad and I look to the future with confidence. I am thankful that God has granted me the serenity to accept the things I cannot change, courage to change the things I can, and wisdom to know the difference.

Mr. Weir: Mr. Chairman, I did not wish to enter the debate at this time, and perhaps my doing so will not be very useful. But after listening to the hon. member for Eglinton express himself with respect to the redistribution in Manitoba I thought I should point out to him that he should have gone back a little further.

I happen to be one of those who got the axe in the last redistribution. While hon. members have been referring to certain constituencies in Manitoba in this redistribution, none of them apparently has seen fit to refer to the fact that the constituency of Macdonald completely disappeared at the time of the last redistribution, and was joined to another Liberal consituency.

As my hon. friend from Selkirk has said, that is part of the game and we accepted it at that time. I do not think any other course was open, just as there has been no other course open in the present instance. I could go further and say that, so far as I am personally concerned in this redistribution, I have lost territory that I had since 1930, and that as a result of this many of my closest and best friends have now been moved over to another constituency. So the argument as to how redistribution affects individuals in the house is not by any means all on one side.

Mr. Graydon: Mr. Chairman, last night I took occasion to make my position clear with respect to several members in this party who were experiencing serious redistribution troubles. I wish now to say a word about the difficulties in which my very close friend in the C.C.F. party, the hon. member for Selkirk, finds himself. He was very modest this evening when describing his position, I must say.

One of the things that have caused me most concern in connection with the redistribution now taking place has been the constituency of Selkirk. I took occasion to look into the position that the Manitoba subcommittee had arranged for him and found that when the explosion had cleared away, his constituency had been blown into seven pieces. He is now in the position of having his constituency represented by seven members, rather than by one as at present. It seems to me that to pick on the hon. member for Selkirk in this way, to apply the guillotine to him, is not fair.

Mr. Mutch: You are crying louder than he did.

Mr. Graydon: And I am not going to take any advice from across the way from any of the experts on guillotining, because it seems to me that if we must take advice it should come from quarters that have shown more equity and fairness.

This seems to have been the practice throughout the proceedings of the Manitoba subcommittee. The hon. member for Selkirk was as highly regarded as any member in any party; and certainly, so far as I am concerned, he stands high in my estimation. I would feel remiss in my duty tonight if I were to let this occasion pass, even though I belong to a different political party, without raising my voice in protest against this type of butchery of a riding into seven segments. I speak on behalf of a close personal friend who in my view did not get a square deal in the redistribution that has taken place.

Mr. Ward: Mr. Chairman, I am sure if the hon. member for Peel had known what he was talking about he would not have said anything on this issue. Had the hon. member for Eglinton known something about the history of Souris he would not have spoken as he did.

Mr. Murray (Cariboo): They should stay in Ontario.

Mr. Ward: Going back a little, all hon. members will know that the constituency of Selkirk was created in 1947 out of a conglomeration of little patches here and there, little subdivisions of Winnipeg. At that time there was room for Selkirk, for that additional constituency. But up to now not one member of the official opposition has told us what we should do about the two seats that had to go. They have not taken that into consideration at all, and they took the very same stand with regard to Saskatchewan.

In the last thirty years I have taken part in three redistributions in the House of Commons. I believe the fairest and most equitable is the one now being made. It has been done without regard to partisanship and has been carried through on a basis of sheer logic. I will challenge anyone to prove the contrary.

Coming back to the constituency of Souris, I am sure that had the hon. member for Eglinton known that in 1947 there were only 23,000 people in that constituency he would have realized that it was the logical seat to eliminate at that time. It was the Liberals of that day who saved Souris; and yet no one on the opposition side of the house has said that, though some of them know it. I repeat that it was the Liberals who saved Souris in 1947.

The Liberals decided at that time that it should be saved, because the hon. member for Souris was the only Conservative member from Manitoba at that time. I know the Prime Minister expressed the desire that it be retained, and I know that one of the most distinguished and most capable members in the house gave up his seat in favour of that constituency.

We come now to 1952; and perhaps it will interest hon. members when I tell them that the hon. member for Souris told me that he expected his seat would go. He told me two or three months ago that he did not expect his seat would be saved. He said it was the smallest in Manitoba, and when two seats had to disappear it was only logical in his view that Souris, with only 25,000 in it, would be one of them. It was the easiest seat to dispose of because of its geographical location.

Taking the whole picture of Manitoba I would say that if one looks at the highways going up and down he will see that the job of redistribution was well done. And in this connection I wish to give the hon. member for St. Boniface great credit for the excellent job he did in dividing the seats in the province. As chairman of our group his actions were most logical.

While I am on my feet I should like to add a further word. We gain impressions from discussions that take place in the house. One of the impressions I have had during the

days the redistribution discussion has been taking place is that the official opposition members must have lost confidence in themselves. In my own riding I gave up voluntarily—we did not wait to go before the committee—to the hon. member for Portage-Neepawa a strip 40 miles long and 6 miles wide, which is good for a Liberal majority of 300. That is almost as large an area as that which the hon. member for Lake Centre did so much talking about. I took an area almost the same size at the north end of my riding which had given a majority to the opposition party in the last election. I have no doubt that if I work hard enough I can get a substantial majority there.

I think hon. members opposite have been less than fair to the hon. member for Lake Centre, and I think he has been less than fair to himself in the deprecating attitude he has taken. There should be no doubt as to his ability to go out and win votes. I think the hon. member for Lake Centre could win any seat in Saskatchewan, and there was no need for all this ballyhoo simply because a little carving was done here or there.

Some hon. Members: Oh, oh.

Mr. Ward: Certainly it is all a matter of carving. Some four months ago a man in Saskatchewan, a good Conservative, told me that when distribution came up Lake Centre would be the seat that would have to go. I know the hon. member for Lake Centre knows this man. He said it was the logical seat to go. I think the hon. member is not fair with himself when he seems to think that he cannot go out and win that seat. Of course he can win it, just the same as the rest of us can win seats when we seem to be hurt in this redistribution.

It was apparent that two seats would have to go in Manitoba and three in Saskatchewan. Some of us in Manitoba got together before the committee met to see if we could decide on what would be the logical thing to do. I shall have to do some summerfallowing when I get back, just as the member for Lake Centre will have to do some summerfallowing.

Mr. Viau: Mr. Chairman, as chairman of the redistribution subcommittee in 1948 and this year I feel that I should give an explanation of what has happened in Manitoba. For the last few days members of the opposition have been talking about gerrymandering. We have heard the voice of the hon. member for Lake Centre, of the leader of the opposition, of the hon. member for Broadview and of other hon. members who have no knowledge whatsoever of the social, economic, political and racial questions involved in Manitoba. There was talk of gerrymandering in the province in 1948, and the present member for Portage-Neepawa represented the only seat that was then eliminated in Manitoba, which was a Liberal seat. In the redistribution of 1952 we are eliminating three seats in Manitoba; one Conservative, Souris; one C.C.F., Selkirk; and one Liberal, Norquay. The map will indicate how those three seats were eliminated.

A careful study was made of the rural and urban populations, the community of interests, and racial questions which are most important in Manitoba. It was found that the great urban area known as greater Winnipeg had to be used as the hub upon which the other ridings in Manitoba would be based. The subcommittee for Manitoba met and I asked representatives of the Conservative and C.C.F. parties to offer maps and suggestions. The hon. member for Souris presented a map and the hon. member for Winnipeg North Centre offered some suggestions. The hon. member for Winnipeg North Centre was interested only in the greater Winnipeg area.

A careful study was made of the map presented by the hon. member for Souris, but he was concerned only with the western part of the province. In his map he had Souris, Brandon, Marquette, Dauphin, what was left of Portage-Neepawa and a corridor which extended from north to south that could be made into one riding. But he was not concerned with what happened to Provencher, St. Boniface, Springfield or the seats in the greater Winnipeg area.

On the other hand, the hon. member for Winnipeg North Centre presented a map which dealt with the greater Winnipeg area. After taking those two maps into consideration we arrived at the boundaries which are now part of this schedule. A few weeks ago the hon. member for Selkirk stated in Winnipeg that this was the worst gerrymander the province of Manitoba had seen since confederation. That statement was greatly exaggerated. The proof of that is in what we see tonight. The hon. member for Souris, representing the Conservative party, and the hon. member for Winnipeg North Centre, representing the C.C.F. party, both left the capital last night. I do not think the gerrymander could have been that severe in Manitoba.

We have eliminated three seats, one represented by each party. Souris, which was the smallest, was amalgamated with Brandon. In that way we were able to save one more seat for the rural population of Manitoba. In the redistribution of 1948 Manitoba lost two rural seats; this year one urban seat and one rural seat are taken out. I feel that

the job done by the subcommittee for Manitoba was a good job and the accusation of gerrymandering by members of the opposition and outsiders is most unfair.

The Chairman: Shall the item carry?

Mr. Fleming: On division.

Paragraph agreed to on division.

Paragraph 2, Churchill, agreed to.

Paragraph 3, Dauphin, agreed to.

Paragraph 4, Lisgar, agreed to.

Paragraph 5, Marquette, agreed to.

On paragraph 6—Portage-Neepawa.

Mr. Viau: I should like to move the following amendment:

That the electoral district of Portage-Neepawa as described in section 6 be amended to include (a) all of townships 15 and 14 and 13 in range 3 west; (b) all of township 13 in range 1 and 2 west.

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 7, Provencher, agreed to.

Paragraph 8, St. Boniface, agreed to.

On paragraph 9—Selkirk.

Mr. Viau: In view of the amendment to section 6, Portage-Neepawa, I should like to move the following amendment:

That the electoral district of Selkirk, as described in section 9, be amended to exclude (a) all or part of townships 15 and 14 and 13 in range 3 west; (b) all or part of township 13 in range 1 and 2 west.

Mr. Bryce: What will be the effect of that change?

Mr. Viau: In the schedule reference is made to Two Mile road and townships 15, 14 and 13 west of 3 west, that is the third west meridian. Then there is township 13 in range 1 and 2 west. That is two miles south of the northern boundary of range 13 in 1 and 2 west includes the town of Warren, which will now be part of Portage-Neepawa. It was always part of Portage-Neepawa in the past. This was discussed with the hon. member for Winnipeg North Centre.

Mr. Gillis: Do I understand you to say that it was agreed to by representatives of the other groups on the committee?

Mr. Viau: By all members of the subcommittee. I have their signatures on paper.

Mr. Gillis: Did the hon. member for Winnipeg North Centre agree?

Mr. Viau: Yes, sir.

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 10, Springfield, agreed to.

Paragraph 11, Winnipeg North, agreed to.

Paragraph 12, Winnipeg North Centre, agreed to.

Paragraph 13, Winnipeg South, agreed to.

Paragraph 14, Winnipeg South Centre, agreed to.

Manitoba schedule agreed to.

On the schedules—British Columbia.

On paragraph 1—Burnaby-Coquitlam.

Mr. Mott: With respect to British Columbia, I should like to move an amendment to the north boundary of Okanagan-Boundary and the south boundary of Okanagan-Revelstoke.

The Deputy Chairman: Order. We are dealing with item 1, Burnaby-Coquitlam.

Mr. Mott: I was under the impression that it was necessary to move these amendments at the start. If not, I will move them when we come to the proper places.

Mr. Murray (Cariboo): Burnaby-Coquitlam is one of the new ridings that have been added. It is made up of an industrial area which contains many of the new oil refineries that are being built on the Pacific coast to take care of the oil from Alberta. Under this plan Burnaby has been subdivided and to it has been added Coquitlam, the industrial towns of Port Moody, Ioco, Fraser Mills and other industrial areas along Burrard inlet. They constitute a compact community united in many ways, and I think other members of the committee will agree that we were unanimous in suggesting this new riding of Burnaby-Coquitlam.

Paragraph agreed to.

Paragraph 2, Burnaby-Richmond, agreed to.

Paragraph 3, Cariboo, agreed to.

Paragraph 4, Coast-Capilano, agreed to.

On paragraph 5—Comox-Alberni.

Mr. Gibson: Mr. Chairman, I have not taken any part in this debate so far.

An hon. Member: Why don't you keep it up?

Mr. Gibson: Probably I should have a vote of thanks from my friends in the house for not having done so. However, on looking back over the spectacle we have witnessed in the house for the last few days, I am particularly glad that I voted for the opposition amendment to set up a commission because I would hate to think that I had any part in providing fuel for that spectacle. During the debate a very old Chinese proverb

has occurred to me concerning relaxation that I might commend to the consideration of the opposition party. However, I will not quote it at the moment.

An hon. Member: Go on.

Mr. Gibson: There is a good old western proverb I might quote which I think is very applicable. " 'Tis music to the gambler's ears to hear the suckers howl". I have avoided taking part in any of the votes that have taken place today because I am not familiar with all the intricacies of dividing up Ontario and various other provinces. However, I will say from my knowledge of British Columbia that if the majority party in this house has been as fair in all the other provinces as they have been in my province, nobody here has any ground for complaint. In looking over what has been done in British Columbia, I think I can say that the Liberals have leaned over backward in making sure they will have ample opposition in the next parliament. Something has been said about gerrymandering taking place; but after listening to the hon. member for Dauphin I am very much inclined to think that probably it is not as important as some members think.

One is rather amused sometimes to hear members talking about large constituencies in various parts of Canada, particularly when I look across the house and see my good friend from Skeena and think of the tens of thousands of square miles he represents under the most adverse conditions. As a matter of fact I was very glad to agree when it was suggested to me, and I think it was with my concurrence that it was suggested to him, that I should probably make a small contribution toward sharing in the heavy task he must carry out by taking over some of the large coastal areas in his constituency. I have lost about 7,000 people from my constituency who were very accessible by Ontario standards, and have been given an area with many thousands of miles of coast line.

I would hesitate to try to judge, but it is possible that I have absorbed ten thousand miles of coast line that were formerly in the constituency of Skeena. The new district has a real community of interest with my own riding so far as the great fishing industry is concerned, and I am very happy to see this section added to my riding, while greatly regretting the loss of my good friends in the area from Departure bay to Englishman river. There is only one other comment I should like to make. I hope somebody will read these debates ten years from now, and I have no doubt they will because the same difficulty will probably arise at that time. I sincerely hope that by the time of the next redistribution the population of the riding of Comox-Alberni will have grown to such an extent that we will be justified in having the riding entirely on Vancouver island. I hope it will then be possible to create a riding on the coast of British Columbia which will embrace a part of the riding of Coast-Capilano, part of Comox-Alberni and part of the riding of Skeena, thus bringing about a most useful and efficient redistribution in that section of our province.

Mr. Adamson: The hon. member misquoted the Chinese proverb.

Mr. Gibson: It was a western proverb.

Mr. Adamson: The proverb is this: "It is pleasant to the surgeon's eye to see his patients bleed". It is amazing indeed to see that there is still blood in the patient.

Paragraph agreed to.

Paragraph 6, Esquimalt-Saanich, agreed to.

Paragraph 7, Fraser Valley, agreed to.

On paragraph 8—Kamloops.

Mr. Fulton: I cannot quite agree with the hon. member for Comox-Alberni—

An hon. Member: We would not expect it.

Mr. Fulton: —that redistribution in British Columbia has been as perfect as he has described. I cannot agree with him all the way. I have expressed my differences of opinion with the majority of the subcommittee previously. I have said that in my view an extra riding in the city of Vancouver is not justified on the present population figures. However I do say, as I said then, that if that is to be the decision, then what has been done within the limits of that decision is as reasonably satisfactory as it could be made. I want to point out again, because it affects my own riding, that the result of that decision is that no adequate relief can be given to the constituencies in the interior of the province. Here I do agree with the hon. member for Comox-Alberni when he said that we sometimes feel we can sit back with a half smile at least, if not a full smile, when we hear those from other provinces discuss the size of their ridings, because the ridings in British Columbia, outside of the lower mainland area and the lower half of Vancouver island, are real empires, not pseudo empires.

What has happened as a result of the limitation imposed in British Columbia by the inclusion of this one riding within the city limits of Vancouver is that no adequate relief can be given to the problem of the excessive size of the ridings in the rest of the province.

All that it has been possible to do is juggle boundaries here and there with the result that for reasons previously discussed the district of Revelstoke, which if it is moved from its present riding of Kamloops to any other should go to the riding of Kootenay West where it has a community of geographic and economic interest, in order to equalize population and to make more equal, although it does not accomplish that result, the size of the new riding of Okanagan-Revelstoke, has been put into that riding. Thus it has been included in a portion of the Okanagan where in fact it has no community of geographic or economic interest. I just want to say that it has been a great pleasure for me to represent the historic district of Revelstoke within the boundaries of which is the mile post at Craigellachie where the last spike on the Canadian Pacific Railway was driven. It is a historic town in more ways than one, but it is of course most closely identified with railroading activity. It lies some 26 miles northwest of the north end of the Upper Arrow lake and on the Columbia river which flows into the Arrow lakes. To anyone who looks at the map of that country, with Revelstoke lying between the Monashee and Selkirk mountains in the Columbia river valley, where that river flows south after having rounded the big bend and resumed its southward flow which carries it on into the United States, it will be obvious that the community of interest, both geographic and economic, for Revelstoke lies in the Kootenay country through which the Columbia river then flows.

There is in addition the fact that at the present time the Celgar Corporation has applied for and received a forestry management licence which covers in the main all the timber areas of the Arrow lakes and adjacent districts extending away up the Columbia river past Revelstoke and up into the big bend. Their plant is going to be down in the vicinity of Castlegar; it is a huge pulp, paper and cellulose development. The fact that Revelstoke, in so far as the timber industry is concerned, lies within that area is further proof, if proof were needed, that if the district of Revelstoke is to be moved anywhere it should be moved into the Kootenay country.

I thought I should say these few words. My views were made known to the committee as well, but I did not carry the majority opinion of the committee, with the result that it is now impossible to bring about an adjustment in the interior which would both relieve the size of the ridings and make it possible for Revelstoke to go into the Kootenay country.

I simply want to express my regret that this was not done and that Revelstoke instead of going there is now included in the Okanagan. According to the expression of opinion of the people of that district they would much prefer to be included in the riding of Kootenay West, where they were prior to 1933.

Apart from that I do feel it is only fair to say that although I took a sharply different view of the principle, which should have been followed as I have said before, nevertheless once the decision was made—as it has been made—as to the general areas in which the new seats were to be located then I think that broadly speaking we have been able to arrive at a decision which was as reasonable as it could be. There is only the one further reservation which I mentioned before which is that I feel strongly that the constituency of Vancouver Centre is still too much of a pocket borough with a population of only some 48,000.

Paragraph agreed to.

Paragraph 9, Kootenay East, agreed to.

Paragraph 10, Kootenay West, agreed to.

Paragraph 11, Nanaimo, agreed to.

On paragraph 12—New Westminster.

Mr. Mott: Mr. Chairman, as chairman for a short time of the British Columbia subcommittee I think I should rise at this time to say a few words. My reason for speaking is that you mentioned New Westminster, the riding I represent in British Columbia.

I would like to make a few remarks about the work of the British Columbia subcommittee of which I was chairman. Quite a lot of good work had been done, and I am one who felt very sorry that the chairman of the committee resigned part way along and we had to carry on without him. Nevertheless I would like to say at the outset in reply to my hon. friend from Comox-Alberni that the committee certainly did not bend over backwards, as far as I was concerned, to see that the opposition was well taken care of.

Mr. Fulton: You went as far as you could go along the other way.

Mr. Mott: I would also like to mention my own view regarding Revelstoke. That matter was brought up before the subcommittee and has also been brought before the house by the hon. member for Kamloops. To place Revelstoke in West Kootenay meant placing 54,000 or 55,000 in that constituency—I may be a thousand or so out in my figures but they are approximately correct—in order to make up a new constituency. To bring a new

member into the interior it was necessary to take Revelstoke from the Kamloops area and place it in the new Okanagan-Revelstoke area. I have had very little protest regarding that, and I think the committee felt that by changing the name to Okanagan-Revelstoke it would give that historic name great national advertising. I know that many committees have had municipalities requesting that they use certain names, and we have heard much about names and historical interest and community interest. Any name attached to a constituency gets great national advertising across Canada. We felt that the people of Revelstoke, by having their name attached to the constituency of Okanagan-Revelstoke, would probably be more than satisfied by that change as opposed to going into Kootenay West where otherwise they probably should have gone. But to make up the proper number so we could have the other new member taken from the lower mainland and placed in the interior, it was necessary to do that. It was done before I became chairman of the committee, and I heartily endorsed the actions of those who had approved of this move.

British Columbia is a large province with an area of 365,000 square miles. I have been greatly interested in the remarks that have been made during the last two or three days concerning other provinces. I was born in Nova Scotia, and I know only too well Annapolis, Kings and Digby. I think even now I could from memory go through the counties of Nova Scotia. In fact I was married at Annapolis Royal. So I have listened with a great deal of interest to the arguments whether I thought they were right or wrong. However, coming from British Columbia, and as chairman of the subcommittee, I had all I could do and all I wished to do in looking after the British Columbia problems placed before me.

Let us look at British Columbia just for a few minutes. As I say, we have looked at the problems of the other provinces and have seen just how easy it was to arrange constituencies in Saskatchewan. The right hon. Minister of Agriculture said that there you can lie down on your stomach on the side of a gully and look across and you would not know the gully was there. In British Columbia you have to climb 9,000 feet to get over the mountains.

Let us take Kootenay East with 32,000, a very small constituency. Then let us take Skeena represented by Mr. Applewhaite and also Cariboo represented by Mr. Murray. There you have practically two-thirds of the area of British Columbia. It would be practically impossible to have equal representation on a population basis there, because you would have these two great areas right down to the Fraser valley with only about three members against some 19 members for the lower mainland area. Therefore, when we talk about redistribution, apparently there are some provinces that do not fit into the scheme of things as do other provinces.

I just want to close by saying that I have had the fullest co-operation from all the members from British Columbia, and especially from the ex-chairman upon whom I have had to call on many occasions. He has given me one hundred per cent co-operation, and I appreciate that because it is the first time I have had the honour of being chairman of the British Columbia subcommittee. At this time I do not want to leave out the hon. member for Winnipeg North Centre, who represented the opposition and whom I also found very valuable. He was reasonable, and we appreciated his assistance very much. That is all I have to say at this time. We have done our best to meet the views of this house, and we can only say that we tried to do our best.

Paragraph agreed to.

On paragraph 13—Okanagan Boundary.

Mr. Mott: I have an amendment to move, Mr. Chairman, in connection with Okanagan Boundary and Okanagan-Revelstoke. I mention the two at this time for the simple reason that we have had to straighten out the boundary of Okanagan Boundary, which also caused a change in the southern boundary of Okanagan-Revelstoke, so we can take the two of them together. These amendments which I am moving are seconded by the hon. member for Kamloops, and have been unanimously endorsed by all the members of the committee. These two amendments are lengthy, so I would ask the indulgence of the house to have them taken as read.

Mr. Fulton: I merely wish to confirm that these amendments have been discussed and agreed upon by the members of the subcommittee. They have been approved by the surveyor-general as representing the lines of the boundary which were agreed upon by the subcommittee, as pointed out by the member for New Westminster, the chairman of our subcommittee at that time. In addition I want to echo what he has said as to the propriety, under the circumstances, of including in the name of one of the new constituencies, namely the northern half of the old constituency of Yale, another historic riding of British Columbia, the name of Revelstoke.

I must say that I regret exceedingly seeing that name pass out of existence. It has had a long history in the area and a long history of distinguished representation. The one who represented it for the longest time within the memory of most of us in this house was Hon. Grote Stirling, who held it for this party until the by-election of 1947, occasioned by his resignation on account of ill health. It is a name which we regret to see passing out of existence, but it is a name which gradually, as a result of the successive redistributions, has come to be less and less meaningful as associated with the present area.

In the old days the riding embraced the whole of the southern interior, including what was then the central point of Yale, which is well down in the Fraser valley. Subsequent redistributions have moved the constituency easterly until now it has no relationship with the town of Yale so it was felt appropriate to abandon that name, though with regret, and use the name of Okanagan. The two ridings of Okanagan-Revelstoke and Okanagan Boundary represent, with the addition of Revelstoke, the old constituency of Yale.

I want to again echo what the chairman of our subcommittee said as to the propriety of adding the name of Revelstoke to the name of one of these new constituencies. It is a matter which I know will be agreeable to the residents of that district. On their behalf I want to thank both the present chairman and the former chairman of the subcommittee, who I know had the same idea.

The Deputy Chairman: Is the suggestion of the hon. member for New Westminster agreeable to the committee?

Some hon. Members: Agreed.

The Deputy Chairman: Hon. members are familiar with the amendment? Shall the amendment carry?

Amendment agreed to.

Paragraph as amended agreed to.

The Deputy Chairman: Shall the amendment to paragraph 14, Okanagan-Revelstoke, carry?

Amendment agreed to.

Paragraph 14 as amended agreed to.

Paragraph 15, Skeena, agreed to.

Paragraph 16, Vancouver-Burrard, agreed to.

Paragraph 17, Vancouver Centre, agreed to.

Paragraph 18, Vancouver East, agreed to.

Paragraph 19, Vancouver-Kingsway, agreed to.

Paragraph 20, Vancouver-Quadra, agreed to.

Paragraph 21, Vancouver South, agreed to.

Paragraph 22, Victoria, agreed to.

British Columbia schedule agreed to.

On the schedules—Saskatchewan.

Paragraph 1, Assiniboia, agreed to.

Paragraph 2, Humboldt-Melfort, agreed to.

Paragraph 3, Kindersley, agreed to.

Paragraph 4, Mackenzie, agreed to.

Paragraph 5, Meadow Lake, agreed to.

On paragraph 6—Melville.

Mr. Boucher: On Monday, Mr. Chairman, I gave notice that I would move the following amendment to No. 6:

That townships 22, 23, 24 and 25, together with that part of township 21 lying north of the Qu'Appelle river, all in range 18, west of the second meridian, be deleted from Moose Jaw-Lake Centre and added to Melville.

While I am on my feet, Mr. Chairman, I have two other amendments of which I gave notice on Monday.

The Deputy Chairman: Order. Do I understand those amendments deal with another riding?

Mr. Boucher: Yes.

The Deputy Chairman: Order. Hon. members have heard the amendment. Shall the amendment carry?

Amendment agreed to.

Paragraph as amended agreed to.

On paragraph 7—Moose Jaw-Lake Centre.

Mr. Boucher: With regard to item No. 7, I also gave notice on Monday that I would move the following amendment:

That townships 26, 27, 28, 29, 30 and 31, all in range 18, west of the second meridian, be deleted from Moose Jaw-Lake Centre and added to Yorkton.

On Monday, I gave notice of a motion concerning an amendment with respect to Moose Jaw-Lake Centre. On Tuesday I indicated that I had another amendment relating to the same area of that constituency, and that I would move it in substitution for the former. I now beg leave to move:

That the east half of townships 16, 17, 18, 19 and 20, all in range 19, and that part of the east half of township 21, in range 19, lying south of the Qu'Appelle river, all west of the second meridian, be deleted from Moose Jaw-Lake Centre, and be included in the constituency of Qu'Appelle.

The Deputy Chairman: Does the first amendment carry?

Amendment agreed to.

The Deputy Chairman: The hon. member has also moved another amendment. Shall it carry?

Mr. Fleming: In my submission, Mr. Chairman, the second amendment does not go nearly as far as it should in the direction of trying to repair some of the injustice that has been done with respect to the riding of Moose Jaw-Lake Centre. Even with the amendment which has been passed and with this amendment, and I believe another one that the hon. member for Rosthern intends to introduce, that riding will still have a population of 53,000, which makes it the largest in the province with one exception. I refer to the urban riding of Regina, and now the riding of Humboldt may possibly have 500 people more than this riding in view of these three changes that are in the process of being made. But, Mr. Chairman, my submission is that the amendment with respect to these particular townships named now before the committee does not go far enough. If all of the townships named, instead of just the east half of them, were included in the amendment it would have the effect of removing one of the very objectionable features of the way the boundaries of the riding of Moose Jaw-Lake Centre have been drawn.

Mention has been made more than once of the fact that these boundaries are drawn in such a way that a portion of the city of Regina is included in this riding, as well as the suburbs of Regina. If the entire townships named, instead of merely the east half of them, were included within the scope of the amendment it would have the effect of removing from the riding the portion of the city of Regina that is now within the riding, and it would also remove the east part of the suburbs of that city.

I am sure I do not need to dwell on the objectionable features which have already been threshed out in this debate of including in a riding like this a portion of the city of Regina. You have a city in it now, the city of Moose Jaw, and you have this huge rural area, difficult enough to represent by reason of the problem of access created by the fact that Last Mountain lake bisects the riding north and south. Therefore I move, Mr. Chairman:

That the schedule for Saskatchewan be amended as follows:

(1) That all of townships 16 to 21 inclusive in ranges 18 and 19, west of the second meridian, be removed from Moose Jaw-Lake Centre and added to Qu'Appelle.

I am sure the genial member for Qu'Appelle will be very happy to welcome the west half of these townships into the

[The Deputy Chairman.]

riding of Qu'Appelle, as well as the east half. In doing so, something will be done to repair the maldistribution created by the Saskatchewan schedule, which makes the riding of Lake Centre much too large and much too populous in relation to other rural ridings in the province, and indeed all the ridings of the province.

The Deputy Chairman: Is the committee ready for the question?

Mr. Coldwell: This does go some distance, but it does not meet the objection I have; that is that a portion of the city of Regina has been placed outside the city of Regina. It seems to me that in considering amendments we should make Regina City a constituency bounded by the municipal boundaries of that city. It seems to me the logical thing is to include in Regina those parts of Regina that are now outside and which are proposed to be placed in Qu'Appelle. I certainly think that should be considered. It is the objection that I have taken throughout.

It does not seem to me logical or sensible to take part of a city out of the city and place it in a rural constituency, and certainly I do not think it is wise to place it in Moose Jaw-Lake Centre. I can imagine that the people in the city of Regina who are to be in the constituency called Moose Jaw-Lake Centre will not relish that to any extent. I wanted to put my position before the committee.

Mr. McCusker: I just want to clarify what the hon. member for Rosetown-Biggar has said. I am sure he did not want to state what was wrong when he said this area has been taken out of Regina. It never was in Regina. Part of the area was in Moose Jaw constituency at the time of the last election, and the other part was in Qu'Appelle. If I am asked to retain the constituency within its old boundaries, with a slight change in the south part of the city to straighten out a jog in it, that leaves me with 66,500 people, in fact, more than that. That is the part of the city in which all the construction is going on. Houses are being built. In a very few years that part of the city will be out of all proportion to the surroundings on account of its increase in population. It is increasing very rapidly, more rapidly than anywhere else, and at the present time it is the largest constituency. I am merely suggesting that it remain as it was.

Mr. Coldwell: I should like to say that while I appreciate that the constituency of Regina today contains some 56,000 people, I think the hon. gentleman said—

Mr. McCusker: I said 66,500.

Mr. Coldwell: That is the city proper?

Mr. McCusker: No, it is the old city.

Mr. Coldwell: That is right. We have constituencies in other parts of Canada with populations in excess of 90,000. So to put these voters in the city to which they belong, even if they happen to be living in an area which has been outside the city for election purposes before, I think is the logical thing to do. After all, there is a community of interest on the part of the people who live in the city, and I think they should have the opportunity of being represented by a member who represents the interests of the citizens of that city as a whole. That is the point I am trying to make.

Mr. Dewar: Before the amendment which has been moved by the hon. member for Eglinton passes, I think probably he should go back in the other direction. He asks that all the townships from 16 to 21 inclusive in ranges 18 and 19, west of the second meridian, be removed from Moose Jaw-Lake Centre, and added to Qu'Appelle. If the hon. member will refer to paragraph 11 in the Saskatchewan schedule, which deals with Regina city, he will notice that already the city of Regina boundaries contain a portion of section 9 in township 17. If we were to follow through on the suggestion of the hon. member I would have between 12,000 and 15,000 people from the city of Regina. I realize that this would be quite in keeping with the consistent inconsistencies of the opposition. At the same time I must say they should go back and get their directions straight.

Mr. Drew: Mr. Chairman, I feel sure we are indebted to some members supporting the government in the carving job they are doing for the advice they are giving us so freely. Indeed, there have been a couple of useful contributions this evening. One of them was by the occasionally independent member for Comox-Alberni, who gave us his definition of the procedure we are following when he said that it would be appropriate, in connection with the schedule, if he were to remind us of the saying, "'Tis music to the gambler's ears to hear the suckers howl." He will recall, of course, that that was a saying applied to what some hon. members will describe as a crap game, and it was applied specifically to a game with loaded dice. That is a very accurate description of what is taking place here. Apparently the only objection on the part of the hon. member who gave us this definition is that those whom he regards as suckers are howling.

The fact of the matter is that what he said indicates the attitude of a number of members supporting the government with respect to what is taking place. This is a game with loaded dice; and if any attempt is made to put the game on a sound level, then immediately there is objection on the ground that really those who are raising the questions about it do not know these particular constituencies.

No one needs to be personally acquainted with the details of any of these constituencies to know—and again I refer to what was said by the hon. member—that in the opinion of those who have done this job it has been done in accordance with the principle he enunciated, that a little carving now and then is relished by the best of men.

Here we have the carving done in the case of Regina. As has been pointed out, the whole city is well within the population limits of a number of other cities which are retaining their city boundaries. The marriage of Regina and Moose Jaw in this instance undoubtedly will be of interest to those who take part in that unusual ceremony. But the fact remains that, no matter what affinity of interest there may be in that area, it does seem to represent a strange combination of rural areas, and of one whole city and part of another city in a new constituency which has as its purpose the obvious desire to create as many favourable political opportunities for the carver as possible, and to limit as much as possible the opportunity of the present member for Lake Centre to return to the House of Commons.

When the hon. member who spoke a short time ago suggested that members of the Progressive Conservative party were depreciating their position, if I may use his expression, may I say that not one of us is depreciating in any way the ability of the hon. member for Lake Centre to win his way back into this house, no matter what racket is tried by the party in power in the house at this time.

But the fact that we are confident of his ability to deal with a situation of this kind should not in any way silence criticism of a method which is so utterly out of harmony with the lofty sentiments expressed in the house by the Prime Minister at the beginning of the discussion of this subject, and again in the house this afternoon. Those lofty sentiments fit very badly with the way in which his followers have carried out the task they have set themselves. And it is regrettable indeed that the Prime Minister has not seen fit to answer the repeated suggestion that he should indicate his own

opinion as to the extent to which his followers are departing from the lofty principles he has enunciated here.

Amendment to the amendment (Mr. Fleming) negatived: Yeas, 23; nays, 55.

The Chairman: I declare the amendment to the amendment of the hon. member for Eglinton lost. The question is now on the amendment of the hon. member for Rosthern.

Amendment (Mr. Boucher) agreed to.

The Chairman: Shall the paragraph carry?

Mr. Fleming: I have a further amendment. The amendments with which we have latterly been dealing have related to the east boundary of the proposed new riding of Moose Jaw-Lake Centre. The amendment I am about to introduce relates to the west boundary, where a substantial area west of the second and third meridians has been removed from what has been for some years the riding of Lake Centre. It is an area which, from the historic and economic standpoints, and in terms of interest and transportation, belongs with the balance of what is now to become Moose Jaw-Lake Centre. It is bisected by the Canadian National Railways. It belongs properly with the riding of Lake Centre rather than with that of Rosetown-Biggar, where it has been placed under the schedule. Therefore I move:

That the schedule for Saskatchewan be amended as follows:

"That townships 21 to 30 inclusive in range 28, west of the second meridian, and townships 22 to 30 inclusive in range 1, west of the third meridian, be removed from Rosetown-Biggar and added to Moose Jaw-Lake Centre."

Amendment (Mr. Fleming) negatived: Yeas, 26; nays, 62.

The Chairman: Shall the paragraph carry?

Mr. Fleming: On division.

Paragraph as amended agreed to on division.

Paragraph 8, Moose Mountain, agreed to.

Paragraph 9, Prince Albert, agreed to.

On paragraph 10—Qu'Appelle.

The Chairman: Shall this paragraph carry?

Mr. Fleming: On division.

Paragraph agreed to on division.

Paragraph 11, Regina City, agreed to.

Paragraph 12, Rosetown-Biggar, agreed to.

Paragraph 13, Rosthern, agreed to.

On paragraph 14—Saskatoon.

Mr. Boucher: I should like to move that the words "Montgomery Place and" be included after the words "together with" in the third from the last line.

Amendment agreed to.

Paragraph as amended agreed to.

Paragraph 15, Swift Current, agreed to.

Paragraph 16, The Battlefords, agreed to.

On paragraph 17—Yorkton.

The Chairman: Shall the paragraph carry?

Mr. Harris (Grey-Bruce): As amended.

Paragraph as amended agreed to.

Saskatchewan schedule agreed to.

On the schedules—Alberta.

Paragraph 1, Acadia, agreed to.

Paragraph 2, Athabaska, agreed to.

On paragraph 3—Battle River-Camrose.

Mr. Welbourn: Mr. Chairman, I should like to move:

That range 7, townships 50 to 56 inclusive, south of the north Saskatchewan river, be deleted from the constituency of Vegreville and added to the constituency of Battle River-Camrose.

Amendment agreed to.

Paragraph as amended agreed to.

On paragraph 4—Bow River.

Mr. Johnston: I should like to say a word about this constituency. I indicated very clearly the other day what I thought about the situation in the southern part of Alberta as it exists at the present time. I said at that time I thought this was one of the most unfair pieces of gerrymandering that had been created in the province. I was in hopes that those on the committee would have seen fit to rectify the mistake which had been made, but that has not been done and I wish to offer my objections.

Since this gerrymandering occurred an editorial appeared in the *Albertan* of Calgary, a Liberal newspaper, and I should like to read one or two paragraphs. It was in the issue of June 28 and reads:

Calgary North and Calgary South

The juggling of Calgary and southern Alberta federal constituency boundaries makes sense, in general, although it is disturbing that the parliamentary Liberals, who have no representation in southern Alberta and therefore know nothing about the region, forced the changes over the objections of the members who do know the region.

Those were almost the exact sentiments which I expressed in this house. The situation there was quite peculiar, in that no

Liberal members were involved. All the sitting members were agreed that there should be no change made in the southern part of Alberta. The editorial continues:

The new Bow River constituency will stretch from Drumheller to British Columbia. That makes it something of a geographical monstrosity.

In effect that is what I said. Anyone who looks at the map and sees that the constituency of Bow River goes from the British Columbia border to within 84 miles of the Saskatchewan border cannot help but realize that it is a monstrosity. How any fair-minded government could allow such a monstrosity to exist is beyond my apprehension.

Mr. Welbourn: How much of the west end of Bow River constituency is unsurveyed?

Mr. Johnston: I doubt if there is much that is unsurveyed. There is not a great deal of population west of lake Louise, but there is some at Field, which is getting pretty close to the boundary. There are families still living up in that area.

Mr. Welbourn: The hon. member has not answered my question.

Mr. Johnston: I have not the surveyor's map before me. If the hon. member had given me notice of his question or had even suggested it in the committee I would have been prepared to answer. Of course he never brought it up in the committee, and I do not suppose it ever crossed his mind on that occasion. I am sure there must have been many important things that never crossed his mind.

Mr. Welbourn: It was brought up in the committee.

Mr. Johnston: As the hon. member for Macleod says, the area is populated and those people are deserving of consideration and representation. I think this editorial in this Liberal paper was most fair in its criticism up to a certain point, and that is the point at which I take objection. I resent these words:

But the easternmost part of the city, which has been in Bow River, is rebel territory, populated by working people who feel they owe nothing to the old-line parties. Not since 1917 has the constituency gone to a Liberal or Conservative.

Just because people are intelligent enough to vote Social Credit does not mean they should be considered rebels. I think it is a credit to their intelligence that they have acted as they have; and that will be further demonstrated in the forthcoming election.

Mr. Welbourn: The hon. member can run there if he wants to.

Mr. Johnston: I am quite well aware of that fact. I may do that or I may not. It would not be for fear of not being elected. In order to give the committee an opportunity to once again express its fairness by way of correcting a grave error, I propose to move this amendment:

That the Alberta schedule as found on page 70 and following pages be amended as follows:
(a) Section 4, Bow River, to be deleted and the following substituted therefor:

At this point I want to say that all the amendment does is to reinstate the old boundaries of my constituency of Bow River. Then I propose to move that the old boundaries of Calgary East, Calgary West, Lethbridge, Macleod and Medicine Hat be reinstated. The effect will be to leave these constituencies exactly as they are. That will leave all the sitting members satisfied, it will leave all the people in southern Alberta satisfied, and it will correct a grave error. The amendment continues:

Bow River consisting of those portions of townships twenty-five (25) to twenty-seven (27) inclusive, in ranges fifteen (15) to seventeen (17) inclusive west of the fourth meridian, lying west of the left bank of Red Deer river; townships twenty-five (25) to twenty-nine (29) inclusive, in ranges eighteen (18) to twenty-nine (29) inclusive west of the fourth meridian; that portion of township thirty (30) in ranges twenty-one (21) to twenty-nine (29) inclusive west of the fourth meridian lying west of the left bank of Red Deer river; all townships twenty-five (25) to thirty (30) inclusive in range one (1) and all townships twenty-six (26) to thirty (30) inclusive in range two (2) west of the fifth meridian; those portions of townships twenty-one (21) to twenty-four (24) inclusive in ranges twenty-six (26) to twenty-nine (29) inclusive west of the fourth meridian lying north of Bow River and including such parts as are within the boundaries of the city of Calgary; all of sections twenty-five (25), twenty-six (26), thirty-five (35) and thirty-six (36) in township twenty-three (23) range one (1) west of the fifth meridian, including such parts of these sections as are within the city of Calgary, and those portions of sections twelve (12), thirteen (13), twenty-three (23) and twenty-four (24) in the same townships which lie east of Bow river; together with that portion of the city of Calgary lying east of a line which may be described as follows: commencing at the intersection of Sixth street E., with the north boundary of township twenty-three (23); thence northerly along the said Sixth street E. to its intersection with Twenty-fifth avenue S.E.; thence westerly along Twenty-fifth ave. S.E., to the Elbow river; thence northerly along the Elbow river to its intersection with Seventeenth ave. S.E.; thence westerly along Seventeenth ave. S.E., to its intersection with Fourth street E.; thence northerly along Fourth street E., and across Langevin bridge to the Edmonton trail; thence northerly and following the Edmonton trail to its intersection with Eighth ave. N.E.; thence easterly along Eighth ave. N.E. to its intersection with Sixth street E., thence northerly along Sixth street E. to the northern boundary of the city of Calgary.

That is the one dealing with Bow River. When we come to Calgary and the others I shall move amendments there, but I think it

is your ruling that we shall deal with them one at a time, or shall I read the others?

The Chairman: Does this amendment affect only the constituency of Bow River?

Mr. Johnston: The amendment you have in your hand, Mr. Chairman, covers all the constituencies to which I referred a moment ago. If it is your desire I shall move them all at the same time and we can vote on them at one time.

The Chairman: Will the hon. member indicate once more what constituencies will be affected? Perhaps the committee might give unanimous consent to consider all these constituencies at one time.

Mr. Johnston: The constituencies affected are Bow River, Calgary North, Calgary South, Lethbridge, Macleod and Medicine Hat. Those are the constituencies that have been affected by the proposed redistribution; and if my amendment carries, as I hope it will, then the effect will be merely to restore the constituencies to their former position.

The Chairman: Is it agreed that we shall consider together paragraph 4, Bow River, paragraph 5, Calgary North, paragraph 6, Calgary South, paragraph 11, Lethbridge, paragraph 12, Macleod and paragraph 13, Medicine Hat?

Some hon. Members: Agreed.

Mr. Johnston: The balance of the amendment reads as follows:

(b) Section 5, Calgary North, to be deleted and the following substituted therefor: Calgary East consisting of those portions of townships twenty (20) to twenty-three (23) inclusive between range twenty-six (26) west of the fourth meridian and range one (1) west of the fifth meridian inclusive, lying south and west of the left bank of Bow River excepting sections twenty-five (25), twenty-six (26), thirty-five (35), and thirty-six (36) in township twenty-three (23) range one (1) west of the fifth meridian; all townships twenty (20) to twenty-three (23) inclusive between the east boundary of range two (2) west of the fifth meridian and the west boundary of the province of Alberta; the Sarcee Indian reserve No. 145; together with that portion of the city of Calgary in township twenty-four (24) range one (1) west of the fifth meridian lying between and not included in the electoral districts of Bow River and Calgary West.

(c) Section 6, Calgary South, to be deleted and the following substituted therefor: Calgary West consisting of all townships twenty-four (24) to thirty (30) inclusive, lying between the west boundary of the province of Alberta and the east boundary of range three (3) west of the fifth meridian; townships twenty-four (24) and twenty-five (25) range two (2), west of the fifth meridian, together with that portion of the west half of township twenty-four (24), range one (1), west of the fifth meridian, lying west of a line which may be described as follows: commencing at the intersection of the north boundary of township twenty-three (23), range one (1), west of the fifth meridian, with 4th Street W.; thence northerly along the said 4th Street W. to the left bank of Elbow river, thence northerly and following the left bank of the said Elbow river to its most northerly intersection with 4th Street W.; thence northerly along the said 4th Street W. to its intersection with the main line of the Canadian Pacific Railway; thence westerly along the said Canadian Pacific Railway to its intersection with 8th Street W.; thence northerly along the said 8th Street W. to its intersection with 4th Avenue S.W.; thence westerly along the said 4th Avenue S.W. to Louise bridge at Bow river; thence northerly across Louise bridge to 10th Street N.W.; thence northerly along the said 10th Street N.W. to its intersection with 24th Avenue N.W.; thence easterly along the said 24th Avenue N.W. to its intersection with 9th Street N.W.; thence northerly along the said 9th Street N.W. to its intersection with 29th Avenue N.W.; thence westerly along the said 29th Avenue N.W. to its intersection with 10th Street N.W.; thence northerly along the said 10th Street N.W. to the north boundary of the township.

(d. Section 11, Lethbridge, to be deleted and the following substituted therefor: Lethbridge consisting of townships one (1) to ten (10) inclusive in ranges fifteen (15) to twenty-four (24) inclusive, excepting that portion of township seven (7) in range twenty-four (24) lying west of the left bank of Belly river; township eleven (11) ranges fifteen (15) to twenty-four (24) excepting those portions in range fifteen (15) and the east half of range sixteen (16) lying north of Old Man river; that portion of township twelve (12) in range sixteen (16) lying south of Old Man river; townships one (1) and two (2) in ranges twenty-five (25) to thirty (30) inclusive; townships three (3) and four (4) in ranges twenty-five (25) to twenty-seven (27) inclusive, and that portion of township three (3) range twenty-eight (28) lying east of the left bank of Belly river; together with the Blood Indian reserve No. 148; all the above mentioned townships and ranges being west of the fourth meridian.

(e) Section 12, Macleod, to be deleted and the following substituted therefor: Macleod consisting of all townships one (1) to nineteen (19) inclusive comprised between the fifth meridian and the west boundary of the province of Alberta; those portions of townships three (3) to eleven (11) inclusive in ranges twenty-five (25) to thirty (30) inclusive, and of township seven (7) in range twenty-four (24), west of the fourth meridian, lying west and north of the left bank of Belly river; townships twelve (12) to nineteen (19) inclusive in ranges twenty-six (26) to thirty (30) inclusive, west of the fourth meridian; together with those portions of townships twelve (12) to twenty-two (22) inclusive in ranges seventeen (17) to twenty-five (25) inclusive west of the fourth meridian, and of Blackfoot Indian reserve No. 146, lying south and west of the left bank of Bow River.

(f) Section 13, Medicine Hat, to be deleted and the following substituted therefor: Medicine Hat consisting of townships one (1) to twenty (20) inclusive, in ranges one (1) to fourteen (14) inclusive, west of the fourth meridian; those portions of townships twenty-one (21) to twenty-four (24) inclusive, in ranges one (1) to fifteen (15) inclusive, lying south of Red Deer river and extending to the left bank thereof; all those portions of township eleven (11), range fifteen (15), the east half of township eleven (11), range sixteen (16) and of township twelve (12), range sixteen (16), lying north of Old Man river; of townships twelve (12) to twenty (20) inclusive, in range fifteen (15); of townships thirteen (13) to

twenty-four (24) inclusive, in range sixteen (16) and of all those portions of Blackfoot Indian reserve No. 146 and of townships seventeen (17) to twenty-four (24) inclusive, in ranges seventeen (17) to twenty-five (25) inclusive, lying north of Bow river; all the said townships being west of the fourth meridian.

Mr. Macdonald (Edmonton East): Before the question is put on the amendment moved by the hon. member for Bow River I believe I should take part in this debate briefly, in order to say that I have a measure of praise for the work of the Alberta subcommittee on redistribution. The chairman of that subcommittee, the hon. member for Jasper-Edson, seemed fair and appeared to act in an impartial way in arriving at a decent and sensible distribution of the ridings in Alberta. The redistribution was not made primarily for the benefit of the members representing the ridings, but rather in the main for the benefit of the electors concerned. The chairman of the committee advises me that he had no direction whatever from any caucus of Alberta provincial Liberals.

The ridings of Edmonton East and Edmonton West were not redistributed into three ridings on a party basis. They were not gerrymandered in any way. It is a matter of concern to the hon. member for Edmonton West, the Minister of Mines and Technical Surveys, and myself that we will not be representing the electors residing south of the North Saskatchewan river in the city of Edmonton who are to be in the new riding of Edmonton-Strathcona.

Mr. Johnston: On a point of order, I do not wish to interrupt the hon. member but the part of Alberta involved in my amendment has nothing to do with the northern section. I have made no reference whatever to the constituencies in the northern part of the province. My amendment deals only with the southern part. I have no objection whatever to the arrangement that was made in the northern part.

Mr. Macdonald (Edmonton East): In arriving at a basis of debate in connection with the point raised in the amendment of the hon. member for Bow River, I believe I should refer to the situation that exists in the whole province. I will conclude my remarks soon if I am allowed to continue and make my point. I was saying that the people south of the North Saskatchewan river in Edmonton will not be represented in the future by the hon. member for Edmonton West and myself. We are very concerned about that. These are good people. Being our constituents, we have endeavoured to serve their best interests in the House of Commons, and we are going to be very sorry to lose them.

However, time marches on and great developments are taking place in the west, particularly around Edmonton and Calgary. The important and growing community of Edmonton was compelled to seek a third voice in parliament for our wonderful city. We have done that, and the electors will decide in the future who will be their representatives, as they have decided in the past. As a member I have interested myself with respect to the redistribution as it will affect Edmonton, and I am satisfied with the creation of the riding of Edmonton-Strathcona.

I must say a word with regard to the autonomy of Calgary, which has been more surely established in community interest by now having two urban seats in that city. No member has a vested right in his riding, and my request to the committee was to do an impartial job in a manner that would bring credit and honour to them in fulfilling their responsibilities on that committee.

I wish to say, Mr. Chairman, that I am happy with and concur in the recommendations of the committee as reflected in the schedules, and I will so vote and support the recommendations of the subcommittee as against the amendment now before us.

Mr. Low: Just one word about the amendment moved by my hon. friend from Bow River. I am supporting his request for this amendment, and I do so for a number of reasons which I think will be quite obvious. I am not trying to criticize the work of the committee; taking it by and large I think that in the north they have done a pretty fair job. In most cases I believe the individuals concerned or affected are ready to accept the result in good spirit. We do not think any member has a vested right to or ownership of any constituency.

We were prepared, Mr. Chairman, to allow one of the Social Credit seats in the north to be wiped out entirely. We said nothing about that because we felt that if someone had to lose a riding perhaps the party that had a majority of the ridings in the province might suffer the loss better than others, so we accepted the rearrangement in the north without much complaint. But when it came to southern Alberta, Mr. Chairman, as was just explained by the hon. member for Edmonton East, the principle guiding the committee seemed to be to try to place Calgary on a solidly urban basis.

If the committee had been guided by that principle entirely nobody would have had

any complaint; but, Mr. Chairman, if you will look at the map you will see that they did not observe that principle entirely. The fact is that both north and south Calgary ridings have a suburban section added, which means that they juggled the constituency of Bow River and, as my hon. friend from Bow River says, made a rather grotesque picture of it. It looks like a quarter of chewed up dog beef hanging out of an upstairs window. There is no question about it. In an effort then to rectify what they had done, or at least make it a little more palatable, they confined the boundaries of the urban Calgary seats to an area north of the river and an area south of the river much smaller than before. But they then added a rural section to each of those seats.

The point I am trying to make, Mr. Chairman, is that when they did the juggling with respect to Bow River, and in order to see that they had two urban seats in Calgary, they had to go around and juggle the boundaries of three other constituencies: Macleod, Lethbridge and Medicine Hat. I mention, Mr. Chairman, that they did not improve the situation one particle for anybody. It might be argued that in ten years Calgary North and Calgary South might grow to encompass the suburban areas that have been added and be purely urban ridings, but in ten years we will probably be faced with another fiasco like this. Therefore there seems to be plenty of time to make that readjustment ten years from now if the growth of those areas does take place. I think we could very well leave those ridings as they were without in any way violating a principle which might have guided the committee in rearranging the boundaries. It is for that reason I suggest that we leave the five ridings in southern Alberta as they are.

I repeat once more that by and large the Alberta subcommittee did a good job. I am not complaining very much; I am not in any way embittered, and I am not going to try to carry on a long criticism here tonight. I just ask the committee to accept the statement that we are prepared to take what was done in the north but we do say that the five ridings that are needlessly affected in the south can carry on for another period just as well as they can carry on under the proposed rearrangement.

Amendment (Mr. Johnston) negatived: Yeas, 20; nays, 65.

Paragraph 4, Bow River, agreed to on division.

Paragraph 5, Calgary North, agreed to on division.

[Mr. Low.]

Paragraph 6, Calgary South, agreed to on division.

Paragraph 11, Lethbridge, agreed to on division.

Paragraph 12, Macleod, agreed to on division.

Paragraph 13, Medicine Hat, agreed to on division.

Paragraph 7, Edmonton East, agreed to.

Paragraph 8, Edmonton-Strathcona, agreed to.

Paragraph 9, Edmonton West, agreed to.

Paragraph 10, Jasper-Edson, agreed to.

Paragraph 14, Peace River, agreed to.

Paragraph 15, Red Deer, agreed to.

On paragraph 16—Vegreville.

Mr. Welbourn: I would like to draw the attention of the committee to the fact that the amendment I moved regarding Battle River applies to Vegreville. Range 7 is deleted from Vegreville and added to Bow River.

Paragraph as amended agreed to.

Paragraph 17, Wetaskiwin, agreed to.

Alberta schedule agreed to.

On the schedules—Newfoundland agreed to.

On the schedules—Yukon Territory agreed to.

On the schedules—Northwest Territories agreed to.

The Chairman: Shall the schedules carry?

Some hon. Members: Agreed.

The Chairman: Shall the preamble carry?

Some hon. Members: Agreed.

The Chairman: Shall the title carry?

Some hon. Members: Agreed.

Bill reported.

Mr. Speaker: When shall this bill be read a third time?

Mr. Drew: Next sitting.

BUSINESS OF THE HOUSE

FLIGHTS OF AIRCRAFT A.O.P.-10,000—RESERVATION TO ORDER FOR RETURN

Mr. Fournier (Hull): May we revert now to questions. This morning I said we were ready to make question No. 5 an order for return with a reservation that read as follows:

As a rule, Canadian air force records containing the detailed information requested by this question

are preserved only for a period of one year. The information asked for can only be provided back to the 1st of July, 1951.

Since then I have asked the department for information concerning the matter, and here is what I was handed this evening.

The log books of aircraft in the Royal Canadian Air Force state the mileage, engine data and fuel consumption for each trip, but do not list passengers or freight carried. This has been the system employed for years in the R.C.A.F. In view of what I have said, it will be possible to produce answers to the first and second parts of this question, covering the period since January 1, 1951; but for the reasons given this morning it will not be possible to give the information requested in parts 3, 4, 5, 6 and 7 of the question prior to July 1, 1951.

We have no objection to the question being made an order for return subject to the reservation I have made. Now, if it does not pass as an order for return with this reservation, I am afraid it will die on the order paper. This way, some answer would be given at the opening of the next session. It is a motion of the house, and the department would have to file a document concerning this question.

Mr. Drew: As the hon. member in whose name this question stands is not in the house, Mr. Speaker, I do not want to press the point; but if it could stand until the house meets in the morning it could be dealt with then.

BUSINESS FOR TOMORROW

Mr. Fournier (Hull): Tomorrow we will be concluding the proceedings in this session, and perhaps adjourning tomorrow evening. There are about ninety items of estimates, a good many of which have been before committees, have been studied, considered and discussed. We would start off with the balance of the seven or eight items in agriculture. Before we do that, however, we would take up the third reading of this bill. It has been going fine, and we want to get it through.

Mr. Fleming: You are not going to let it stand until November 20?

Mr. Fournier (Hull): I do not think we could do that. Then we would proceed with post office following agriculture, and so on.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, July 3, 1952

The house met at eleven o'clock.

QUESTION PASSED AS ORDER FOR RETURN

FLIGHTS OF AIRCRAFT A.O.P.-10,000

Mr. Coyle:

1. On what occasions since January 1, 1951, has the C-5 aircraft bearing registration A.O.P.-10,000 been dispatched on flights outside of Canada?
2. What was the mileage, destination and route flown on each such flight?
3. Were passengers other than members of the Royal Canadian Air Force personnel carried on any such flight?
4. If so, what are the names of such passengers, and in each case, what was the status and reason for travel?
5. Were such passengers carried throughout the flight, and if not, between what points was each passenger carried?
6. Having regard to the number of passengers carried and the over-all cost per mile of operating the aircraft, what was the estimated cost of such trips for each passenger named?
7. What was paid by each of the passengers named for such flights?

Mr. Drew: Mr. Speaker, this question was under discussion yesterday. At that time the Minister of Public Works explained that if he were to give consent to its becoming an order for return it would be necessary to indicate a limitation imposed by the fact that, according to information he had received, records which would give the information requested in the latter part of the question—that is, numbers 3 to 7 inclusive—would have been destroyed, under the practice of the R.C.A.F. in relation to information of that kind.

Without in any way debating the answer given, I wonder if the minister is aware that there are circumstances which make it rather difficult to understand why that information would not be available in this particular case, because a question in the same form was on the order paper at the last session, and remained on the order paper at the time the last session closed on December 29, 1951. It had been on the order paper for a very considerable time.

I have asked the hon. member in whose name the question stood at that time, and he has explained to me that he understood—incorrectly, as it happens—that the question would be answered afterwards, although there had been no formal request that it become an order for return. For that reason the question was allowed to lapse at that time.

I am inclined to think that if, instead of accepting the general explanation in regard to practice, the Minister of Public Works would find out if there was not some information obtained at that time and now on file, he would probably find that all this information covering the period between January 1, 1951, the date mentioned in the question, and a period a year ago, or at such time as the records were destroyed, was available. I leave it in that position. If the minister says that it is subject to the limitation in relation to the practice of the R.C.A.F. I naturally, on behalf of the member who discussed the matter with him, would be called upon to accept that limitation, subject to any discussion of the practice as something independent of this question itself.

Subject to what I have said I accept the proposal on behalf of the hon. member in whose name the question stands that it stand as an order for return. I would ask the minister to refer to this subject again in view of the information I have given him about this same question having been on the order paper in the last session. I would hope probably that information might be available.

Mr. Claxton: Perhaps I should say to the leader of the opposition that we shall be glad indeed to look further into the matter. I think it only fair to say that the R.C.A.F. does destroy passenger lists at the end of six months. I am told that the practice of the commercial airlines is to destroy passenger manifests every month so that the R.C.A.F. keep them for a much longer period. I shall be glad to see if any other information is available in accordance with the suggestion of the leader of the opposition.

Mr. Drew: I do not want to enlarge this unduly, but there is an important point involved here. In the first place I understood the Minister of Public Works (Mr. Fournier) to state yesterday that it was a year, but now the Minister of National Defence says it is six months.

Mr. Claxton: It is in respect of the period of six months, I beg your pardon.

Inquiries of the Ministry

Mr. Drew: The Minister of Public Works indicated that it was a year; his words were:

The information asked for can only be provided back to the 1st of July, 1951.

That is what he said after having explained the procedure.

Mr. Claxton: That is quite right.

Mr. Drew: That simply leaves it in the way I have indicated. In view of the question having been asked earlier and the fact that it must have called for some action by the department at that time, with the probability that a file exists in relation to this particular matter, I would ask that it be reviewed on that basis.

PRIME MINISTER

INQUIRY AS TO VISIT TO INDIA, PAKISTAN AND CEYLON

On the orders of the day:

Mr. Gordon Graydon (Peel): Mr. Speaker, I should like to ask a question of the Prime Minister. I called the Prime Minister a few minutes before the house convened to give him notice. Around the end of May, Elmore Philpott of the Vancouver *Sun* reported an interview with the Prime Minister which indicated that he was making plans to visit India, Pakistan and Ceylon this coming fall. Would the Prime Minister care to indicate to the house whether he intends to make such a trip?

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, I did see Mr. Philpott some weeks ago and I told him that if it were possible for me to accept invitations I had received to visit the capitals of commonwealth sister nations in Asia I would be very glad to do so. He had recently returned from the east and during the course of our conversation it was indicated that autumn would be the most comfortable time to visit those capitals. That is as far as it went. I am sorry that I have no plans at the present time for accepting that invitation at any early date.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, I feel sure that should the possibility of such a trip present itself the members of this house and the Canadian people would be most happy that the Prime Minister of Canada was able in that way to express the good will of Canada to the sister nations of the commonwealth whose close association with us is so important at this time.

Mr. St. Laurent: I can assure hon. members that such a trip would be most interesting personally and I feel it would be the kind of gesture that most Canadians would like to see made whenever the time was convenient to make it.

WHEAT

PEACE RIVER COUNTRY—REQUEST FOR FACILITIES FOR REMOVAL OF WHEAT IN STORAGE

On the orders of the day:

Mr. Solon E. Low (Peace River): Mr. Speaker, I should like to draw the attention of the parliamentary assistant to the Minister of Trade and Commerce to a rather serious situation which exists in the Peace river country. I should like to ask him a question, but in order to do so I shall have to give some information. I hope Your Honour will be indulgent with me this morning because this may be the last opportunity I shall have to draw this matter to the attention of the minister.

There is in the Peace river country 10,500,000 bushels of wheat still in storage: 8,500,000 bushels in the elevators and 2 million bushels still in storage on the farm. They have only shipped 23,500,000 bushels from the Peace river country this year, which means that in the next two months, if they are to be ready for the next crop, over 5,000 carloads will have to be shipped out of that country if the farmers are to have any storage space available. Will the parliamentary assistant draw this matter to the attention of the wheat board and the transport controller to see if cars cannot be provided for that area?

Mr. G. J. McIlraith (Parliamentary Assistant to the Minister of Trade and Commerce): Mr. Speaker, I shall be glad to have the whole situation looked into and if anything should be done I will see that the necessary action is taken.

FINANCE

REQUEST FOR DETAILS OF RECEIPTS AND EXPENDITURES IN CURRENT FISCAL YEAR

On the orders of the day:

Mr. J. M. Macdonnell (Greenwood): Mr. Speaker, I should like to ask the Minister of Finance a question of which I have given rather brief notice. Could the Minister of Finance before the house adjourns give us any further indication of the course of government receipts and expenditures to date in the current fiscal year?

Hon. Douglas Abbott (Minister of Finance): I thank my hon. friend for having given me notice of his question. I have made inquiries and I find that the statement of the comptroller of the treasury covering April and May will be published in this week's *Canada*

Gazette, which I understand will appear on Friday or Saturday. I would hope that the house might be adjourned before that time, but speaking generally I may say that the position of revenues and expenditures continues to be satisfactory.

Mr. Macdonnell (Greenwood): Would the minister state whether the figures are made up on the same basis as they were a year ago, or whether any different principle is used? It might be useful to the public to have that information in calculating the size of the surplus.

Mr. Abbott: I think I indicated when my hon. friend asked me a question some time ago that we are endeavouring to pro-rate in the figures this year some charges such as annual debt charges, contributions to the superannuation fund and so on, which are paid intermittently through the year. However, similar adjustments will be made with respect to last year's figures so that a comparison of this year's figures with last year's figures will be a comparison of like with like.

IRRIGATION

SOUTH SASKATCHEWAN RIVER COMMISSION—REQUEST FOR PUBLIC HEARINGS

On the orders of the day:

Mr. J. G. Diefenbaker (Lake Centre): Mr. Speaker, I should like to direct a question to the Prime Minister and I will preface my question in the same way as did the leader of the Social Credit group. Some discussion took place the other night with regard to the South Saskatchewan river dam and irrigation project. Since that time I have received three or four communications from municipal authorities in central Saskatchewan asking whether the government would direct the commission to hold public meetings before a decision is arrived at so that full representations might be made as to the necessity and the feasibility of that project.

These municipal authorities have had no opportunity to make representations and they feel they should be entitled to do so. Would the Prime Minister, on behalf of the government, direct that public hearings be held so that a full presentation of the situation from their point of view may be made to the commission?

Right Hon. L. S. St. Laurent (Prime Minister): I would not like to undertake to give any directions to the commission in view of what I understand to be the facts. I will bring to their attention the remarks the hon. gentleman has made this morning, but I think these municipalities would be well advised to channel their requests through the provincial government of Saskatchewan to which I understand the commission has given an undertaking that if they wanted public hearings, public hearings would be arranged. I will bring the hon. gentleman's remarks to the attention of the commission together with the reply that I am making, and I think it might be in the interests of the municipal authorities who wish to have a public hearing to make that fact known to the government of Saskatchewan which I am sure will be disposed to do whatever would appear to be in the general interest of those making the representations.

CANADIAN PEACE CONGRESS

ACTIVITIES OF DR. ENDICOTT AND ASSOCIATES

On the orders of the day:

Mr. George A. Drew (Leader of the Opposition): I wish to refer to one subject which has been before the house at different times, and which it seems to me appropriate should be raised again in view of the fact that all members probably have seen the further distribution of material from the so-called Canadian peace congress. On June 25 the Minister of Justice, in response to questions that had been asked by the hon. member for Lake Centre on different occasions earlier in the session, gave an explanation as to the position of the government in connection with the possibility of prosecuting a man named Endicott. The question that had been asked on a number of occasions was whether the Department of Justice had reached a decision with respect to whether Endicott's actions constituted a breach under the Criminal Code either in its original form or in the form as amended last session.

I am prompted to direct the attention of the government to the explanation that was given in view of the further activities of this organization. In explaining the reason why the government had decided not to prosecute Endicott the Minister of Justice said that it might give publicity and might give Endicott and others the appearance of martyrs. He said it probably would not embarrass the communists if Endicott were prosecuted. Then he went on to explain that the freedom of speech which we all cherish and are all seeking to preserve, and which is being abused by Endicott and others associated with him, should be protected and held inviolate. That sounds like a very desirable course to follow but, Mr. Speaker, I suggest there is one aspect of this problem that has not been touched upon in any explanation given by the Minister of Justice. The Minister of Justice, neither on the 25th nor again on the 27th of June when he referred to this matter,

stated whether or not the Department of Justice had come to a conclusion whether there was or was not the appropriate basis for a prosecution to be launched under the terms of the Criminal Code.

I need not emphasize in this house that the hon. member for Lake Centre has been a most consistent exponent of the liberty of the individual and most certainly never implied that there should at any time be action taken which was not under the clearly stated criminal law of this country. However, the question has not been answered whether in the opinion of the government the conduct of Endicott and his associates does lay a foundation for a charge under the Criminal Code as amended or under its original provisions. The reason I mention the matter now is because within some measurable time we doubtless will be leaving this place until November, and I think the question should not be left in abeyance.

The explanation given by the Minister of Justice implies that an opinion may be held that a charge should be laid but that it would not be wise to lay it. It seems to me that the Department of Justice must decide whether, under the laws passed by this house, there is or is not ground for prosecution. If the laws are too severe they should be amended and ameliorated. If they are not severe enough they should be amended so that they will deal with offences in an appropriate manner. But if laws have been passed by the parliament of Canada then it is the duty of the Department of Justice to carry out its responsibility to see that the laws are observed. It is not in keeping with our judicial system that the Department of Justice shall adopt a course in applied psychology and try to determine what the effect will be of prosecution or otherwise.

The Minister of Justice has said that Endicott's abuses of our freedom have already brought him into sufficient contempt. The same thing may be said about a murderer. It brings him into contempt when it is known he has committed an offence that justifies prosecution. I come back to this matter for the reason that this morning I have received, as I feel sure all other hon. members have also received, a pledge for peace circulated by these traitors. I use the word "traitors" in the sense that they have been trying to destroy the spirit of our people for the defence of our own freedom. It is for the courts to say whether there has been an act of treachery justifying a penalty under our laws, and only the courts should decide that question. This is a pledge which people are asked to sign and doubtless they will collect these cards and announce at some future time that they have been signed by thousands. It will not make any difference how many sign them because they will use a figure that will be suitable to them in any event. This card with the dove of peace, issued by these people who are serving the Kremlin in an attempt to undermine the spirit of defence of our people, can only be regarded with contempt, but the question still remains whether that is enough and whether there is or is not ground for prosecution in the courts as a result of the course they are following. It seems to me that it is still for the Department of Justice to make a decision on that basis and not on what they anticipate the psychological reaction might be.

Right Hon. L. S. St. Laurent (Prime Minister): I think the hon. gentleman forgets that the administration of justice and the enforcement of laws passed by parliament are in the first instance the responsibility of the attorneys general of the Canadian provinces. It is quite true that any citizen can lay a complaint. It is quite true that the officers of the Department of Justice could initiate a complaint, but the proceedings would thereafter be under the control of the provincial administrations. It is my submission that it is quite proper for the Department of Justice, before deciding whether it will do something that might be done by the attorneys general and which would regularly be done by the attorneys general of the provinces in the case of ordinary crimes, to consider whether or not the result of their laying a charge would be apt to produce benefits for the public generally. The hon. gentleman believes, as I do, in the accuracy of everything he has said about these people serving the interests of the Kremlin, but between believing that that is so and being able to produce legal evidence before the courts that it is so, to the extent which would bring about a conviction, there is quite a wide gap. I think the Department of Justice is wise in considering the probable results of the initiation, in quite an unexceptional manner, by the federal Department of Justice of prosecution for a crime against the peace, order and good government of the country which normally would be within the jurisdiction of the provincial authorities. The Minister of Justice (Mr. Garson) was very careful to say that nothing in their attitude or their statements at the present time can be construed as absolving Mr. Endicott or the others who print these appeals for peace. Each action is a separate incident and if and when it became advisable to prosecute them each one of those incidents would be taken into account.

Now, I do not think I can add anything to the statement that was made at that time beyond pointing out that if any attorney general is of a different opinion as to the desirability of prosecutions being instituted he has it within his jurisdiction to take action; and if any Canadian citizen felt that he should make a charge it is within his right under our system of laws to make that charge. The Department of Justice has in certain cases taken the initiative because it felt that not only had there been a violation of a statute but that it was an instance where it was in the public interest that the department should step in and start prosecution.

Here the department has not come to the conclusion that, under the whole of the circumstances, it was desirable that it should do so, but it has done nothing to prevent anyone else from so doing if anyone else is otherwise advised.

Mr. Drew: Mr. Speaker—

Mr. Speaker: Order. Before the leader of the opposition replies may I say there is nothing before the house at the present time. I did not interrupt the leader of the opposition before as I gathered it was the wish of the house that he should continue. If he would like to ask some questions I think I should allow him to do so but, unless there is unanimous consent of the house, I cannot allow debate on this subject at this time.

Mr. Drew: It was not with the thought of debate, it was simply to point out to the Prime Minister that I had not overlooked the responsibility of provincial attorneys general. After all, I have had occasion to consider their responsibilities from time to time.

I point out that at the time Gouzenko's evidence laid the foundation for charges against men who were serving the same master and for the same purpose the dominion government did not hesitate to take action. There is nothing to prevent the Department of Justice from acting in a matter of national concern, and I do believe this is a matter of national concern whether the decision is to proceed or not.

Mr. Diefenbaker: I asked the Prime Minister a question which has never been answered. It was not a question whether or not it is desirable to prosecute, but did the law officers of the crown give the opinion that, having regard to what Endicott has done, an offence could conceivably have been committed under any section of the treason and sedition laws as they are today? That was the question. It was not a question of policy or desirability, but is the law sufficient as it now exists to cover activities—I was going to say treasonable activities but it is not for me to judge—such as Endicott and those associated with him are today perpetrating in this country?

That was the question I asked the attorney general and that is the question I would like to ask the Prime Minister. What was the opinion of the law officers if all these facts were established? Would there or would there not be an offence?

Mr. St. Laurent: Mr. Speaker, I do not know what opinions the law officers may have given the Minister of Justice. I remember, as my hon. friend does, how the late beloved member of this house, Mr. Tommy Church, used to object to any legal opinion being given in the house by the Department of Justice.

Now, I can give my own opinion. I think, personally, that if what I believe to be true and what the hon. leader of the opposition believes to be true could be legally proved before the courts there is ample provision in the Criminal Code to warrant conviction.

FISHERIES

NEW BRUNSWICK—STORM DAMAGE

On the orders of the day:

Mr. Albany M. Robichaud (Gloucester): May I be permitted to ask a question of the hon. Minister of Fisheries. I think I should say that not being accustomed to parliamentary procedure I have not given him the usual notice. My question is a general one, so perhaps he will entertain it.

I have read in several newspapers—

Some hon. Members: Question.

Mr. Robichaud: My question is: Are there any plans under consideration by the minister's department to come to the assistance of the fishermen of the province of New Brunswick who have suffered losses?

Hon. R. W. Mayhew (Minister of Fisheries): Mr. Speaker, the province of New Brunswick has not made any claim for assistance. I suppose the hon. member is referring to storm damage, and we have had no submission from the province of New Brunswick asking for assistance.

REDISTRIBUTION

READJUSTMENT OF REPRESENTATION IN THE HOUSE OF COMMONS

Hon. W. E. Harris (Minister of Citizenship and Immigration) moved the third reading of Bill No. 393, to readjust the representation in the House of Commons.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, unless the government at this stage decides to reconsider its

decision to proceed in any event with the pattern that has been adopted for redistribution of the representation of the people of Canada, then this represents the last stage in a gerrymandering procedure which has become a subject of criticism over many years. I need not enlarge upon the statements that have been made by myself and by other members of the opposition that no one party can be charged alone with the responsibility for following a course in regard to redistribution in past years which has done a great deal to bring this method into contempt. Nevertheless, there does come some time when it is desirable that we recognize the change of events and that we do progress with the experience of other jurisdictions before us to improve the methods by which our own democratic processes will work out to the best advantage of our people and in a manner that will give them the highest possible measure of confidence in the system which is intended to serve their best interests.

We have made proposals in regard to another method and I submit, Mr. Speaker, that it is appropriate for me to refer briefly to this again because I intend to introduce a motion which would have the effect of delaying the coming into force of this act for a period of six months. If that motion were accepted, instead of this being merely regarded as a device to dispose of the measure itself, it could become the procedure by which the other course still could be adopted and public confidence established in our system of representation of the people in the House of Commons.

Already, Mr. Speaker, there have been comments in the press right across Canada which indicate, in spite of what was said by the Minister of Finance yesterday, that people are not uninterested in this subject. When the hon. Minister of Finance (Mr. Abbott) said that people are not interested in it he was reflecting a course which has been quite apparent, particularly on the part of the Minister of Finance. That of course has applied to other subjects as well. People are interested in it. I think it can be said that editorial comment generally reflects the degree of interest that there is in a subject, although we rarely have a uniform pattern of comment in the editorials of the newspapers of this country. That is the very natural expression of freedom of opinion and freedom of speech that we wish to preserve. But there has been considerable comment on this subject.

I should like to refer to an editorial which appeared yesterday in the Montreal *Star*. I refer to that editorial because that highly respected publication is not ordinarily regarded as being unduly critical of the present government, although it does show a commendable impartiality in its approach to public questions. In yesterday's edition of the Montreal *Star* there is an editorial which I quote for the reason that it supports the contention that I intend to place before the house this morning. The heading on the editorial is, "There is still time to redistribute fairly." I have no intention of reading the whole editorial, but I should like to read the beginning of it.

> Conservatives at Ottawa are staging a minor filibuster over the government's redistribution bill. Mr. Drew has asked again for the appointment of an independent commission to redraw constituency boundaries. From the government side comes no sign of agreement. Instead there is an evident determination to push through a bill already suspect.

Mr. Speaker: Order. I think I have ruled on previous occasions that it is not in order to read editorials in this house which reflect upon the proceedings of the house at the present time. Beauchesne's third edition, paragraph 266, reads:

> The rule is quite clear, that the quoting of a newspaper, an author or a book which reflects upon debate before the house, either directly or indirectly, is entirely out of order, because members are here to give their own opinion and not to quote the opinion of others . . .
>
> Members may quote an article or a book stating facts, but a commentary on any proceeding or any discussion in the house, with the object of swinging an opinion to one side or the other, is out of order.

I made the same ruling last year, and I think I should ask members of the house to observe it.

Mr. Drew: I recognize that there is a borderline in regard to quotations from the press in cases of this kind, and I do not intend to delay the discussion by entering into an argument on that point. I say that there is a borderline because the difference between press comment or an editorial or a report that states what may be regarded as facts, and one which may be regarded as reflecting, to use the word in the rule, on the proceedings of the house is sometimes a vague and uncertain area. I recognize that it may be difficult to determine that area. I do not want to delay the discussion of this subject by entering into an argument on this particular point today, because perhaps having indicated that there are editorial comments I could paraphrase the general effect of them without quoting anyone else's opinion for the purpose of supporting the arguments we have put forward.

It is sufficient to say that there has been a substantial expression of opinion outside of this house as well as in the house, and in conversation in the corridors, shall we say, that it would be desirable to get away from a method that has been subject to criticism by members on both sides of the house.

Yesterday the suggestion was left that if the members of the opposition had really read the debates in other legislative chambers we would not have been saying that this alternative system had proven satisfactory elsewhere. I quoted from the United Kingdom *Hansard* of 1948 to show that, far from there being criticism of the commission method, there was uniform approval of that method, and that it was the extent to which the government of the day in the United Kingdom had departed from the recommendations of the commission that criticism was directed to what the house was being called upon to approve. It has worked satisfactorily in Australia, in the opinion of those who are associated with the results of that course. It has worked satisfactorily in New Zealand, according to the statement of responsible men there. It has worked satisfactorily elsewhere.

The reason I refer to this again this morning is that I would hope, even at this late date, that the government might see fit to reconsider its position to avoid the suggestion that there has been what has been so properly described as a racket taking place in the form of legislative procedure. I have seen questions asked as to how this would work out. It is rather difficult to tell whether supporters of the government believe in another method. At times when legislation is not before the house, there always seems to be a uniform expression of opinion that another method would be desirable. During the present debate there have been those who have indicated an alternative method would be desirable, but that the time is not ripe. There have been those who have returned to the argument that the members of this house, as representatives of the people of Canada, can best determine what should be done.

In response to that argument, may I point out that there never has been any suggestion that the members of this house or that the parliament of Canada should abdicate its responsibility on anything that is entrusted to it. The British North America Act imposes responsibility upon parliament to carry out a redistribution of the representation of the people in the House of Commons every ten years after the decennial census. It would be improper, and highly improper, if we abdicated our responsibility, and placed that in the hands of some other body that has not been suggested. The question has been asked, what is suggested? What is suggested is this. Appoint an independent commission—

Mr. Speaker: Order. I believe the house voted on that question during the present session. It would not be in order to revive that debate at this time on third reading. The rules with respect to third reading are much more strictly interpreted than on second reading. On third reading, the debate must be confined to the bill itself and not outside matters.

Mr. Drew: Perhaps it will simplify matters, Mr. Speaker, if I indicate that before I sit down I propose to move the usual motion that this bill be not now read a third time, but that it be read this day six months hence. I explain that I propose to move that motion so that I might still discuss the subject without it being suggested that I am still debating after the motion has been made.

When I refer to the alternative method, I am explaining why I suggest that this motion should not be regarded as merely a delaying process, but should be regarded as a procedure by which the government will be given an opportunity to consider the desirability of employing a method which has met with such satisfaction elsewhere. If Your Honour so rules, in the face of that resolution which, it seems to me, brings directly into issue the possibility of some alternative proceeding in the meantime, then of course I would leave the matter where it stands.

I had not intended to extend my argument on this point which relates to the reasons why I emphasize the desirability of delaying this bill's coming into force; I simply wanted to say that, under the proposals that have been made, the responsibility of parliament would remain, because any commission appointed by this parliament would report back to parliament itself, and parliament would then have the responsibility for accepting, in whole or in part, the recommendations that had been made and of acting or not acting upon those recommendations just as parliament does in connection with the report of any other commission which it may appoint.

I leave the matter there, Mr. Speaker, because that puts forward the point I wish to make, except that I confess that I would have liked to go into more detail in view of the suggestion I have seen that we have not clearly put forward exactly what it is that we are suggesting. I have been suggesting that, with the best judgment we can exercise and with the experience of other jurisdictions before us, we should devise a similar procedure best adapted to our own federal system and to our own particular requirements. I shall leave the matter there

from that point of view but I wish to say something with regard to the effect of what has been done.

No matter who has been to blame in the past, we are again confronted with the criticism which has been raised on every occasion in the past when redistribution has taken place. From what was quoted both by the Minister of Citizenship and Immigration (Mr. Harris) and by myself during the debate yesterday, it is obvious that it is not only here in this House of Commons in Canada that strong and forceful terms are used to apply to the result of methods which do not seem to produce a result that is in the interests of the people generally. Nevertheless it is at all times the duty of members to direct the attention of this house to the possibility of improvement. If we were simply to say that we are following the course that has been followed on earlier occasions—that although it is true there has been criticism, the criticism has been directed to both sides and consequently nothing need be done—there would not be any necessity for debate and we would not have much improvement in this or any other case. In view of the statement made by the Prime Minister (Mr. St. Laurent) at the time that this measure was introduced, many of us had hoped that a different approach was going to be made to this subject on this occasion. Again yesterday afternoon the Prime Minister made a statement that would have produced a result different from the one we have before us; that is, if the principles he enunciated in that statement had in fact guided the majority of the redistribution committee or the provincial subcommittees.

By the result of majority decisions there has been barefaced gerrymandering under the act now before us. There has been gerrymandering in the very way that has been described on earlier occasions. In order to deny to sitting members the opportunity in the future to represent the people whom they have served in the past constituencies have been joined when that joining was not necessary. Under the definition given by the predecessor of the present Prime Minister, namely the late William Lyon Mackenzie King, the most obvious type of gerrymandering is the combining of two constituencies represented by members of the opposing party for the purpose of denying to one of them the right to return to the House of Commons after the next election.

Another form of gerrymandering described by the same gentleman was that which detaches from an existing riding areas which have been inclined to give constant support to the party in power, for the purpose of bolstering another riding with votes which may be counted upon or which the government may expect will follow the same course in the future.

Another form of gerrymandering is the taking of a constituency represented by a member of the opposing parties—and usually it is done in the case of the most prominent members of the opposing parties—and so distorting the boundaries of it that the organization of that constituency in a way that gives an interpretation of the wishes of the people becomes extremely difficult.

We have had the three types of gerrymandering in this case. We have had the first type of gerrymandering, that of the joining of seats, in a number of cases in order to deny to members now sitting in this house the opportunity of returning after the next election, because one of two members must give way to the other under the necessities of the result of this redistribution.

Then we have seen the detachment of townships and areas that appear to have followed a course that would suggest the likelihood that they would support the government and in that way bolster adjoining constituencies. Then we have seen the most abominable type of gerrymandering in the case of the constituency of Lake Centre for an obvious purpose. These acts of gerrymandering are there before us; and no protestations of high purpose will deny the result that is before our eyes.

This matter has been referred to in varying terms but one quotation that was read into the record yesterday from a speech of one of the greatest parliamentarians of our generation—I refer to Right Hon. Winston Churchill—emphasized the necessity at this particular time, no matter what may have occurred at any time in the past, of establishing public confidence in our system of representation of the people in the House of Commons. As he pointed out, this is a time to make sure that we do not in any way imitate the methods that we are criticizing so severely in those areas now behind the iron curtain. Abuse of government power is bad at any time, but it is particularly bad at a time when one of the great issues before us is to restrain the power of government. Freedom from excessive government power is really the fundamental issue between us and the dictatorships on the other side of the iron curtain. For that very reason, by every gesture we can make, by every practical demonstration that we can give of our own desire to see that the representation of the people is carried out in the most impartial manner possible, we

should do what we can to inspire in the minds of our people confidence that representation by population is a reality as far as it can be carried forward under some accepted principles which recognize the difference between urban constituencies and rural constituencies in the concentration of population. But here, embedded in this act we are now asked to pass in its final stage, is every abuse that has ever been criticized in the past, and in some cases in the most iniquitous form. You cannot have an arbitrary equality of representation throughout the whole of Canada. There are geographical reasons; there are reasons of concentration of population, or otherwise. But there can be some clearly stated principles which would guide a redistribution committee of this House of Commons in reaching its decision.

How can it be said that there has been any principle guiding redistribution when you see urban constituencies in one case of around 40,000, and urban constituencies in another case of more than 90,000? How can one say that here is any principle applied when in one case we see a mixed rural and urban constituency with a little more than 30,000 and another mixed rural and urban constituency with approximately 90,000?

There has been no principle; there has been no guiding purpose apparent in the decisions reached as a result of the actions of the majority of the redistribution committee—except the old purpose of gerrymandering, to the advantage of the government.

Since this represents something that is not the privilege and prerogative of the members of parliament so much as it is the rights of the people themselves to proper representation in the House of Commons, I am about to move now an amendment for the purpose of providing an opportunity for further consideration of a method that would be more desirable. No harm will be done if there is delay in dealing with this measure, because we are going to meet again in November. Between now and that time steps can be taken to produce plans for redistribution which would be more satisfactory to the people of Canada, and effect some understandable principle which would at least give a pretence of representation by population in this country.

I therefore move, seconded by the hon. member for Eglinton (Mr. Fleming):

That the motion be amended by deleting the word "now" and adding the words "this day six months" at the end of the question.

Mr. M. J. Coldwell (Rosetown-Biggar): Mr. Speaker, I am going to be very brief because I think practically everything that could possibly be said in this connection has already been said. The house in committee last night by an overwhelming voice decided that the schedule and the bill should remain substantially as it was when introduced.

I think however that the amendment of the leader of the opposition (Mr. Drew) is one that those of us who are critical of the schedule and the bill should support. I propose to vote for it when the vote is taken. I have held for a good many years that the method followed in carrying out redistribution by parliament is wrong, that unfortunately it means that members of the house are quite often called upon to think of their own prospects in subsequent elections rather than the representation of the people of Canada on a sound and proper basis.

When I look at the map of my own province of Saskatchewan I can only conclude that there has been something of a gerrymander. That is the word that has been used, and I find it a most convenient word to use at the moment. I feel particularly that the city of Regina, which was my home for a good many years, has been treated unfairly. It is true that the parts of the city that are now in Lake Centre were in Lake Centre or in Moose Jaw or in Qu'Appelle years ago.

But times have changed and the city has grown. About a year ago, if my memory serves me correctly, the boundaries of the city were enlarged, when a provincial act took into the city those heavily populated suburban areas that had been built up. It is a city which in thirty years has grown from 26,000 to about 72,000, I believe it is. Today, by this redistribution, some 5,000 or 6,000 Regina citizens, now included in the urban area of Regina as well as those in the newer suburbs, are being placed outside that city, in a constituency which will be dominated by another city, that of Moose Jaw.

To my mind that is indefensible. I do not believe the people of Moose Jaw will endeavour to gain any advantage over Regina, or to persuade their member, when elected, that he should fight for any advantage over the city of Regina; but I think it is most unwise to place a large number of citizens of Regina in a constituency that is either dominated by another city, or is substantially rural.

Last night I could not vote for the amendment offered by the hon. member for Eglinton (Mr. Fleming) to transfer that portion of the city of Regina and its suburbs, now included in Lake Centre, into the rural constituency of Qu'Appelle. I think that would have been equally wrong. My contention is that the limits of the city of Regina should be the limits of the constituency. There are 66,500 people now in that seat. By enlarging

that number to 72,000, you still have a constituency much smaller than 17 city constituencies in Ontario, and substantially smaller than the constituencies in the city of Winnipeg.

I wish to make it clear that this is a mistake from every point of view. It is a mistake from the point of view of the satisfaction due to the people who reside in the city area taken away from the city of Regina, because while the area has not been heretofore in the constituency of Regina, it is now legally a part of the city of Regina. I think that is the worst mistake that has been made in Saskatchewan.

Then, the boundaries of my own constituency are greatly enlarged, so that when I return to that constituency I shall have an area to cover almost twice the extent of the original constituency which sent me to this House of Commons in 1935. I shall be happy to have the opportunity to run again for that constituency, if its electors desire that I should do so. I am happy that the name has been retained. In that respect I am glad that no change in name at least has been made, although the boundaries of the constituency have been greatly enlarged.

When I hear some of my maritime friends talking about coast line, I look at the map and see that my constituency is cut diagonally in two pieces by the Saskatchewan river, which is impassable in several instances for more than a hundred miles. How I am going to get across it, except by journeying down from Saskatoon to Regina or to Moose Jaw, I really do not know. But it will be done. I shall endeavour to serve the new part of the constituency as I have tried to serve the old part. I am told by the Minister of Agriculture (Mr. Gardiner) that all this is because it was decided to leave Rosetown-Biggar in the map of the province.

Mr. Gardiner: Not all of it.

Mr. Coldwell: That was a consideration which apparently I shared with the leaders of the other parties in this house.

Mr. Laing: What would have happened if Saskatchewan had lost five seats?

Mr. Coldwell: Then my constituency probably would have been still larger and in all probability the method of approach in the province of Saskatchewan would have had to be substantially different. Apart from the feeling that I have of disagreement with the manner in which this redistribution has been done, I think the people of Saskatchewan appreciate that we have lost only three constituencies instead of the five we might have lost. All of us from Saskatchewan are ready to express to members of the house from other parts of Canada the appreciation we feel of what was done in that regard.

But I think reconsideration should be given to this matter. I have held the view and have expressed it over and over again, both inside and outside the house, that redistribution should have been done by an impartial commission. I listened to Mr. Churchill's criticism of the bill in that house which was read into the record yesterday, but I remember that in that same debate the members of the government, of the Labour party, contended that the report of the commission was favourable to the Conservative opposition. As a matter of fact, an analysis of the results indicates that the contention of the government party was substantially correct because while the present Conservative government of Great Britain won a majority of the seats they succeeded in getting only a minority of the votes.

As the Prime Minister (Mr. St. Laurent) said yesterday, I presume that no matter what commission was set up, no matter what report was made, no matter what bill was introduced, opposition members probably would feel that they should criticize what had been done. In this case I think the opposition—I include all opposition groups—can be relieved of any suggestion that we have been doing this. I think with the redistribution that has been made so far as Saskatchewan is concerned as well as other provinces and other constituencies—I am thinking of Annapolis-Kings for one—there is legitimate criticism of what has happened. Be that as it may, I think we should support the motion made by the leader of the opposition (Mr. Drew) and give this matter further consideration. In the meantime the government should be asked again to set up a commission which this house and the country can regard as impartial.

Mr. Speaker: I have permitted the leader of the opposition (Mr. Drew) and the hon. member for Rosetown-Biggar (Mr. Coldwell) to refer to the commission, but I think there has been sufficient reference to that subject on the motion for third reading. May I ask hon. members who are to speak to discuss only the matters contained in the bill.

Mr. Donald M. Fleming (Eglinton): Mr. Speaker, there are a few remarks I should like to make as the seconder of the motion now under debate. In what I have to say I propose to confine myself entirely to what happened yesterday and to make a general summation of the situation.

The redistribution bill which has now reached the stage of third reading cannot by

any stretch of the imagination be said to provide a satisfactory redistribution. Even after three days of deliberation in the house we are still left with extraordinary extremes. The least populous constituency in Canada under this scheme will have a population of 9,999, while the most populous has a population of some 91,000. Even in Ontario there are extremes of a low population of 28,000, on the one hand, and a high population of 91,000, on the other.

There is ample evidence that the government has felt quite uneasy about what they are doing. In many respects that uneasiness has been reflected in the remarks by and actions of the government members. I do not believe that the government has any serious confidence in the redistribution that they are now on the point of finally perpetrating. The disorders that have occurred in the house, all this continual raucous shouting on the part of government supporters, have not successfully hidden from open view the fact that the government is conscious that it is doing a job of gerrymandering and perpetrating some serious injustices.

First I should like to deal briefly with a remark made yesterday by the chairman of the redistribution committee, the Minister of Citizenship and Immigration, which I quote from page 4089 of *Hansard*:

> Nevertheless I wish to assure hon. members that the question of a redistribution commission will be given the most serious consideration.

While that statement unhappily is belated, let us welcome it even at this time. But in welcoming it let us ask why that serious consideration that is now promised should not be given to this question right now. If the subject merits serious consideration, as is now apparently admitted, why does it not merit that serious consideration right now? There is no excuse in the face of what has happened, in the face of what was said yesterday, for deliberately pushing ahead and rushing this measure through. If the subject of an impartial redistribution commission is deserving of consideration following the census of 1961, then there is not a single answer that has been given that justifies its not being applied here and now in the light of the census of 1951.

My second observation relates to the extent of government responsibility in this matter. The Prime Minister (Mr. St. Laurent) was at great pains yesterday morning to try to shift responsibility for this gerrymandering from the shoulders of the government to the shoulders of the house. One can understand the alacrity shown by the Prime Minister to disavow any governmental responsibility for this botching of the job of redistribution to the advantage of the government. But when some of us said yesterday, "That kind of talk is not impressive in the face of the realities of the situation", no reply was made. We pointed out that this is a government bill standing in the name of the Minister of Citizenship and Immigration. It is a bill that has been supported in debate by all the ministers of the government who have spoken.

If there were any so naïve as to think that any great degree of independence would be shown by supporters of the house in the face of what the Prime Minister said yesterday, then of course the proof of the pudding will be in the eating. We shall judge them by their fruits. What were their fruits yesterday? There were nine divisions in the committee of the whole yesterday. Before any of those divisions occurred the Prime Minister said that he was going to ask all his members to vote, but not to do so with an eye to political advantage or disadvantage. As reported on page 4094 of *Hansard* he said:

> It is the responsibility of every one of us to attempt to get a fair redistribution under this system.

Then further on he said:

> I would ask all the hon. members who belong to the Liberal party not to examine these different boundaries in the light of what they may do for Liberal prospects, for Conservative prospects, for C.C.F. prospects or Social Credit prospects but in the light of what they feel is the proper thing in virtue of their responsibilities to the public generally as well as to their own constituents.

Then, further on he said:

> I said at the outset and I say now that I hope each member of the house, to whatever party he belongs, will endeavour in considering each one of these matters to render his verdict and his conception of what is fair and what is in the public interest.

Then he concluded on this rather personal note. He said, as found on page 4095:

> I think that when we reach each one of these individual cases—

Here he was speaking about those that had been singled out for special mention during the course of the debate as being flagrant cases of gerrymandering.

> —they should be looked at with great sincerity by every member of the house and the right conclusion reached.

At the conclusion of the same paragraph he said:

> I am going to take my stand on each one of these questions as it arises, not as the Prime Minister but as the member representing the constituency of Quebec East.

By their fruits ye shall know them, Mr. Speaker. What was the response of Liberal members of this house to this appeal of the

Prime Minister phrased in such brave words? There was an opportunity given with respect to each of these situations, each of the individual cases that had been mentioned by the Prime Minister, and what was the result? In each one of those cases the government majority voted down the amendment introduced by the opposition. There were nine such amendments and in the nine votes a total of 555 votes were cast by government supporters. How many of them saw fit to show a measure of independence? One government supporter on one vote, the hon. member for Lincoln, decided to be consistent. The hon. member for Lincoln having firmly supported the ground that county boundaries should not be interfered with in the case of his own county felt obliged to maintain consistency by voting in favour of the amendment of the hon. member for Huron North not to interfere with the boundaries of Huron county but to make Huron county the riding of Huron.

The proportion of independence shown by government supporters in the house, in view of the brave words of the Prime Minister, is one out of 555. Perhaps that proportion is a little higher than usual but I think it is a fair indication of how empty are words that profess to show independence, even independence from the government if you please, in the light of the hard realities of government discipline in the house.

Mr. McIlraith: I wonder if you could give us the figures for your party.

Mr. Fleming: The fact of the matter is every member of our party voted in favour of each of these amendments, but we were not included in the scope of these brave words of the Prime Minister's appeal. The Prime Minister was indicating to his followers that they were free to vote according to their views, and that is the way they exercised their freedom. That is a fine showing of independence on the part of government supporters. Therefore I will not need to spend very much time on this talk about Liberal members in the house being free to vote.

What about the Prime Minister himself in discharging what he referred to as his responsibility in connection with these individual cases? They are the individual cases concerning which votes were taken on amendments introduced by the opposition. The Prime Minister was present for the first five of these votes taken yesterday afternoon and he was not present for the four votes last evening, but in every one of the five votes when he was present he lined up eagerly with all the Liberal members in the house and all the government ministers to vote solidly against the opposition amendments.

So we see very clearly just how much independence the Prime Minister was prepared to show, whether as Prime Minister or as the member for Quebec East, in departing from the recommendations of the Liberal majority on the redistribution committee. We saw the Prime Minister voting to perpetrate these gerrymanders, these flagrant abuses of the redistribution process, and to perpetrate inequalities in representation in such cases as were discussed yesterday, the extermination of Haldimand and in the process the representation thereof by the present member. The Prime Minister was not in the house when the vote was taken with respect to Lake Centre but I suppose we may assume, in view of his unbroken record yesterday afternoon in voting five time against five opposition amendments to cure and eradicate these gerrymanders, that if he had been in the house last night when the other four votes were taken he would have voted in the same way. Every government minister who voted on every one of these nine amendments voted precisely in the same way. They voted against the opposition amendments to cure the injustices that were about to be perpetrated by the government majority.

Questions put to the Prime Minister before the taking of some of these votes remained unanswered. I might remind the house that before the vote was taken in connection with the changes in the riding of Frontenac-Addington and the riding of Hastings-Peterborough to create an empire in the new riding of Hastings-Frontenac—

Mr. McIlraith: It is the tenth in size in the province.

Mr. Fleming: —I put a question to the Prime Minister. I asked him whether it was the Prime Minister's conception of fairness that this riding of Hastings-Frontenac should be created in the way proposed by the government majority on the redistribution committee, having in it a population of over 43,000, while right next door is the riding of Renfrew South represented by the Minister of National Revenue with less than half the area and with a population of only 31,000. That question was not answered. The Prime Minister had several opportunities to answer it but he judiciously refrained from doing so. The Prime Minister then voted against our amendment.

We have had an opportunity to test the brave words uttered yesterday morning by the Prime Minister for the benefit of himself and his followers by what happened in the house yesterday afternoon. We shall judge those words in the light of the votes taken,

in the light of such situations as the one I have just referred to where in effect favouritism has been shown to the Minister of National Revenue by throwing 49 townships into the huge riding of Hastings-Frontenac with a population about 35 per cent in excess of the much smaller riding of Renfrew South next door to it.

Some government supporters spoke to me at noon yesterday and said: "Now, you remember what the Prime Minister said this morning. We do not think you paid enough attention to it. You remember that he said that when we reached each of these individual cases that have been particularly mentioned they will be looked at with great sincerity and every member of the house will have the opportunity to reach the right conclusion and take the right vote on them." The suggestion was made to me that what we people in the opposition should do was to call off the fight then because the Prime Minister had said in effect that if we just waited until we reached the particular cases in the schedule everything was going to be all right and certain things were going to be done that would leave everybody happy. They said to me, "Why are you carrying on the fight"?

Mr. Rooney: Did you believe it?

Mr. Fleming: No, I did not. I have been dealing with the Liberals in this house too long to believe that. However, there was an opportunity to test the validity of that kind of cajolery, and we saw yesterday afternoon in the house when we came to each of these individual cases—

Mr. Martin: Don't break that desk.

Mr. Fleming: It is too bad the Minister of National Health and Welfare is not right here at my desk now.

Mr. Graydon: Better to break the desk than to break a promise.

Mr. Fleming: We had an opportunity yesterday to see just how much weight should be attached to the brave words of the Prime Minister—just wait until these individual cases are reached; everybody is going to be so independent; everybody is going to do the right thing; you can count on our members; they are all great fellows with independent minds and they are going to do the right thing in these cases. Well, you know how that went—one out of 555 government votes was independent—and the Prime Minister's was not that one.

Yes, the government yesterday gave not one inch in a single one of these most flagrant and disgraceful cases of gerrymandering. Not one inch did they give after all those beautiful words yesterday morning. Mr. Speaker, in the light of what has happened, in the light of the wish of hon. members that statements made in this house should be serious, would it not then have been very much better if the Prime Minister had not said anything at all yesterday morning?

Then, Mr. Speaker, we witnessed in the course of debate that exposure of that most cynical attitude on the part of the government which goes a long way to explain what they are doing in this callous manner. You will remember that I was venturing to put forward the argument that the public should have an ample opportunity of reviewing what is proposed with respect to constituency boundaries—because after all it is the public that is going to be affected by them in the vote—and that the matter should not be proceeded with hastily and should be allowed to stand for the present time, as there will be an opportunity later in this present session when the house reconvenes on the 20th November. *Hansard* records my remarks and certain interjections at page 4101 yesterday morning as follows. I am reported as saying:

> What could be fairer under those circumstances than that the public should have ample opportunity to review this matter and to make the views of the public known to members who are going to have to take the responsibility eventually of voting on the schedule and the bill.
>
> Mr. Abbott: The public do not care; it is only the members who care.
>
> Mr. Mutch: The hon. gentleman is overestimating public interest in what goes on here.
>
> Mr. Fleming: That is a most significant statement. The Minister of Finance says that the public does not care and the parliamentary assistant—
>
> Some hon. Members: No.
>
> Mr. Fleming: Yes, he did; he certainly did.
>
> Mr. McIlraith: No, he did not.

Mr. McIlraith: Finish it.

Mr. Fleming: The gentleman last referred to said that the Minister of Finance—

Mr. Bradley: Read the rest of it.

Mr. Fleming: I think the Minister of Finance will probably regret making this most lamentable interjection to the end of his political days.

An hon. Member: You hope!

Mr. Fleming: Nevertheless the statement was that the Minister of Finance did not say what he did say. We who were just a short distance removed from the Minister of Finance and directly facing him heard what he said and correctly repeated in the house what he did say, but we were told by the hon. member for Ottawa West who was sitting behind the minister and obviously did not hear what the minister said: "No, he did not". However, we become accustomed to those things.

So the discussion went merrily on.

Mr. McIlraith: Read the rest of it. It is of interest to the house.

Mr. Fleming: I am very happy to continue because it is the worst example of squirming and shilly-shallying that has been seen in this house for some time. How quickly the Minister of Finance repented him of his words! How quickly he showed his concern that he should have made such a blunder! How quickly he showed his regret that he should have joined the Minister of Trade and Commerce (Mr. Howe) in exposing the cynical mind of the government, because this remark, "the public do not care", as applied to redistribution, will deserve to rank in history with that equally cynical and blundering remark made a little over a year ago by the Minister of Trade and Commerce when he said in this house: "If we wanted to get away with it who would stop us?"

An hon. Member: The Tories.

Mr. Fleming: These two remarks, Mr. Speaker, are of the same nature precisely. They are made of the same cloth; they are outpourings of the same mentality.

Here is a government which has convinced itself that it is absolute; that power belongs to it. It has long shown its contempt for the House of Commons and now it feels perfectly at liberty to show its contempt for the people. The people do not care, they say; and therefore in effect they say to themselves: Well, if we want to get away with it who is going to stop us? The people don't care; the opposition can't out-vote us; so we will go ahead and jolly well do what we like with this redistribution. We will put over such a gerrymander as will cut out of public life, if we can do so, some of the best men in the official opposition; and we will succeed in doing it and we will congratulate ourselves on having exercised our power.

Mr. Harris (Grey-Bruce): I rise on a question of privilege. The Minister of Finance never said anything about a gerrymander as my hon. friend has stated.

Mr. Fleming: I did not say the Minister of Finance used the word "gerrymander". What I said was—

Mr. Martin: You do not know what you are saying.

Mr. Graydon: Yes, he does.

Mr. Lennard: A lot better than you do.

Mr. Fleming: The Minister of National Health and Welfare, Mr. Speaker, has not had anything to do so far in this debate, and it is just so hard for him to let a few pages of *Hansard* go by without the name of Mr. Martin on the record.

Some hon. Members: Hear, hear.

Mr. Mutch: You can understand his difficulty better than any of us. If it is true, you should know.

Mr. Speaker: Order. I believe that the house should now revert to the matter under discussion.

Mr. Fleming: I hope the Minister of National Health and Welfare will profitably take to himself that well-merited rebuke.

Some hon. Members: Hear, hear.

Mr. Speaker: Order. So that there will be no misunderstanding, the remark I made was directed to all hon. members. There is a rule that on third reading the only matters that can be discussed are those that are contained in the bill.

Mr. Graydon: We knew whom you meant.

Mr. Martin: Mr. Speaker, I ask you if your remarks were not directed, as I am sure they were, to my hon. friend the loquacious member for Eglinton?

Mr. Speaker: My remarks were directed to no particular member.

Mr. Graydon: The minister is on the record at least.

Mr. Speaker: Order.

Mr. Fleming: I will proceed to read what the Minister of Finance said in his later interjections when he tried strenuously to repair the damage done by his first and frank remark.

Mr. Abbott: My hon. friend takes himself too seriously—far too seriously.

Mr. Fleming: Well, Mr. Speaker, here we have another interjection in the face of what you have said, and I shall say this in view of the further interjection from the Minister of Finance.

The minister has said: Don't take yourself so seriously.

Mr. Abbott: Too seriously.

Mr. Fleming: Well, now we have it straight and we are this time in agreement as to what the minister has said.

I hope that I do not take myself unduly seriously—

Some hon. Members: Hear, hear.

Mr. Fleming: —but I do take seriously my responsibilities as a member of the house and I may say to my hon. and very good friend, the Minister of Finance, that in estimating

the seriousness with which I should apply myself to my duties in the house I am not going to take him as my pattern.

Mr. Graydon: His estimates are always out.

Mr. Dickey: You could do a lot worse.

Mr. Fleming: I think this is a matter on which all members of parliament will need at some stage to take their responsibilities seriously; and when I say the Minister of Finance in his later interjections yesterday tried so desperately to repair the political damage done by his first and very frank statement, "The public do not care", I think you have an estimate of the extent and the nature of the blunder made by the Minister of Finance and his appreciation of it. It is like those budget blunders with which we are so familiar.

I then continue to quote from the record. After the hon. member for Ottawa West said, "No, he did not", the *Hansard* record shows that he did. I continue to quote:

Mr. Fleming: The Minister of Finance said that the public does not care and members on this side of the house besides myself heard him say it right now.

Mr. Abbott: The public does not care about this discussion; it is only interested in the result.

Mr. Fleming: The Minister of Finance is trying to change it. The fact is that the minister said the public does not care and the parliamentary assistant to the Minister of Veterans Affairs said that the public takes—words to this effect—very little interest in what goes on in the house.

Mr. Mutch: On a question of privilege, I said nothing of the sort. What I said was that the hon. member overestimated the attention the public paid to what he said.

An hon. Member: Hear, hear.

Mr. Fleming: Just compare that statement of the hon. member for Winnipeg South with what he actually said as reported in *Hansard*. This is his actual statement:

The hon. gentleman is overestimating public interest in what goes on here.

Mr. Mutch: And you were going on.

Mr. Fleming: It had nothing to do with me. We were discussing the whole question of redistribution, so the hon. member for Winnipeg South is in the company of the Minister of Finance in trying to retrieve his blunder. Then, the record proceeds:

Mr. Fleming: No, no.

Mr. Mutch: Oh, yes.

Mr. Fleming: That is not what the hon. member said. He said we overestimated the attention paid to what goes on in this house. He did not tie it down to me at all.

Mr. Mutch: You were doing the talking.

Mr. Fleming: He said we overestimated the interest of the public.

Mr. Mutch: Leave it to *Hansard*.

We shall leave it to *Hansard*, because *Hansard* records the remark as follows:

The hon. gentleman is overestimating public interest in what goes on here.

Mr. Mutch: And at the moment you were going on.

Mr. Fleming: Then, I continue to quote from the record:

The Chairman: Order.

Mr. Fleming: In these two significant comments, you have what it seems to me is a very complete exposure of the attitude of the government in this matter. What could be more plain?

The Minister of Finance takes the attitude that the public does not care.

Mr. Abbott: No, Mr. Chairman. What I said was that members are more interested in their self-preservation than the public.

You will search *Hansard* through, and you will find no statement on the part of the Minister of Finance that members are more interested in their self-preservation than the public.

Mr. Abbott: You just read it.

Mr. Fleming: He attempts here to say that is what he said, but *Hansard* does not contain any such words. *Hansard* does record, however, these words of the Minister of Finance, "The public do not care".

Now, Mr. Speaker, I come to the final subject that I want—

Mr. Gardiner: May I ask a question, Mr. Speaker? Who is this man Mr. Fleming who is referred to so often in the record?

Mr. Fleming: Mr. Speaker, he is a native of the same county as the Minister of Agriculture, who voted yesterday here to approve of the political carpentry perpetrated on that county of Huron.

Now, Mr. Speaker, what we have—

Mr. Abbott: One went to Toronto and the other to Saskatchewan.

Mr. Fleming: Yes, and they both ended up here.

The final subject to which I wish to refer in these few brief remarks is the question of the time element. In what I had to say yesterday I urged that the public should be given an opportunity of understanding what is involved in the changes in the constituency boundaries proposed in the schedule to this bill. I said that could be accomplished in various ways. A conference had been proposed, but of course that constructive suggestion came to nought; it fell on deaf ears.

Then, there was another suggestion that this matter should be allowed to stand until a later stage. Bear in mind, Mr. Speaker, we are in the last hurried days of the session. This may be the last day of this session, and there is always a tendency at this stage of

the session, natural perhaps, that matters should be rushed through. This is much too important a matter, not only for the present but for the future, to receive precipitate treatment.

Mr. Abbott: Hear, hear.

Mr. Fleming: I venture to urge upon the house that nothing will be lost if the sovereign public is permitted to understand fully what is involved in this bill. That desirable purpose can be achieved if the government will permit the bill to stand. It would be very much better, of course, if in the meantime the government would refer this bill, indeed the whole question of redistribution generally, to a redistribution commission.

Mr. Speaker: Order. I have intimated before that I intend to allow no discussion as to whether or not redistribution should be referred to a commission.

Mr. Fleming: I was not proposing to discuss the question of a commission. All I intended to say was that there is time to allow—I say no more than that—there is time between now and the reconvening of this house on November 20 to permit this matter to be reviewed by a commission. There is no argument on the basis of time against that being done. Even if the government does not see fit to use the services of such a body for that purpose—

Mr. Speaker: Order. The hon. member is continuing his argument, and I would ask him not to do so.

Mr. Fleming: —then, at least the government ought to allow this measure to stand until the house reassembles. What is going to be lost by doing that, by giving the public in all parts of the country an opportunity to know what will be the boundaries of the constituencies in which every member of the public will be casting his vote at the next general election? What harm can there be in it? The only reason that there could possibly be for denying that simple and obvious request for justice and fair play would be that the government realizes that this bill contains iniquitous provisions which will have the effect of gerrymandering, as we have said. They want to get this deed done as quickly as possible. You remember, Mr. Speaker, the words from Macbeth:

> If it were done when 'tis done, then 'twere well
> It were done quickly;

That, I think, is probably the mind of the government at the moment in trying to push this through. I asked my genial friend the Minister of Public Works last night just before adjournment, when he spoke of third reading of this bill:

> You are not going to let it stand until November 20?

The minister said, "I do not think we could do that."

Mr. Fournier (Hull): After listening to you, we have to go ahead now.

Mr. Fleming: Mr. Speaker, that is simply the measure of perversity of the government mind.

Mr. Fournier (Hull): On a question of privilege, Mr. Speaker, if the hon. member thinks I am perverse, he is quite wrong.

Mr. Fleming: Perhaps I should withdraw the imputation that the government has a mind, Mr. Speaker.

Mr. Sinclair: Just say we are completely bored.

Mr. Fleming: Back of the haste in this matter is undoubtedly the hope of the government that the nefarious deed that they are proposing to perpetrate now will be forgotten between now and the next general election. If the view of the Minister of Finance is correct that the public does not care, it is easy enough for the government to conclude the public will forget. The longer you give the public to forget, so apparently runs government thinking, the less likely they are to recall such a nefarious and iniquitous thing as is being perpetrated in this bill. Mr. Speaker, there can be no argument whatever for pressing through right now in the last days of the session, when the house is under great pressure,—

Mr. Sinclair: Hear, hear; air pressure.

Mr. Fleming: —a measure of this kind which, of all kinds of measure, ought to have deliberate consideration in this house and throughout the country. The schedule to this bill reached this house in printed form only on Monday of this week, June 30, after indeed many members had gone home thinking that the session was practically ended. Surely this is no way for the House of Commons to discharge its supreme responsibility to the public. If the government will not accede to a simple and reasonable request that this bill be allowed to stand until the house reconvenes on November 20, then in the interests of justice and in deference to our duty to the public who are supreme, there is nothing that can be done now except to support the motion that this bill be given the six months' hoist.

Some hon. Members: Question.

Mr. G. J. McIlraith (Ottawa West): Mr. Speaker, believing that the public are supreme, and lest they may be misled by some of the things they may read in *Hansard*

of this morning, I thought I should put one or two facts on record. I can do so quickly.

An hon. Member: Hurry up!

Mr. McIlraith: The request is now being made by the official opposition to have me hurry up, their own members having taken none of the time this morning.

Mr. Martin: The old steamroller tactics.

Mr. McIlraith: I should like to explain the question that has concerned the hon. member for Eglinton (Mr. Fleming), namely as to why government members voted against his stupid amendment of yesterday; and may I say that he is authority for the correct usage of the word "stupid". Otherwise, I would not have used it.

Mr. Fleming: On the contrary. The Minister of Citizenship and Immigration (Mr. Harris) is the source of the observation that it is quite parliamentary to refer to remarks as being stupid.

Mr. Harris (Grey-Bruce): Oh, no.

Mr. Fleming: Mr. Speaker, I think you will find that it was the Minister of Citizenship and Immigration who offered that observation in the house.

Some hon. Members: Sit down.

Mr. Fleming: In deference to the high opinion I have of him and his views, I adopted his suggestion.

Mr. McIlraith: Mr. Speaker, I do not need to quote it to the hon. member, but a ruling on this question was given the other day and it was made clear that it was a proper adjective to use in reference to subject matter but not to persons. I was careful to use it in that way.

Mr. Speaker: May I suggest that the word should be used as seldom as possible. Might I also express the hope that I will not hear it again.

Mr. McIlraith: Since the hon. member for Eglinton is a little bit sensitive on the subject I will ask permission to withdraw the word "stupid" as applied to his amendment.

Some hon. Members: Oh, no.

Mr. McIlraith: I will use no adjectives at all.

An hon. Member: You said it.

Mr. McIlraith: I shall merely let the facts speak for themselves. If I may, I should like to draw to the attention of the house the adjectives used by the hon. member for Eglinton. He spoke about the constituency of Hastings-Frontenac as a veritable empire, as a huge constituency, and he used many other adjectives.

Mr. Hodgson: Tell us about Renfrew South.

Mr. Speaker: Order.

Mr. McIlraith: The hon. member for Victoria is a little bit agitated. May I say that it was interesting to note his agitation or lack of it when his own members were taking up so much time to say so little. The point I want to make is quite simple. As to the constituency of Hastings-Frontenac which was referred to as a veritable empire, I ought to tell the house that it is the tenth in size of all the constituencies in Ontario.

Mr. Fleming: We were talking about southern Ontario.

Mr. McIlraith: There are nine larger constituencies in Ontario; and those nine larger constituencies, with one exception, all have more population than has Hastings-Frontenac, and they are all represented in this House of Commons by Liberal members of parliament.

Mr. Fleming: Will the hon. member permit a question?

Mr. McIlraith: Certainly.

Mr. Fleming: How does the proposed riding of Hastings-Frontenac rank in size with all the ridings in what we broadly call southern Ontario as the bill stands?

Mr. McIlraith: I will develop that point if the hon. member wants me to do so. I had hoped not to develop many of the members' questions or arguments. There are two constituencies about the same size, namely, Renfrew North, and Victoria represented by the hon. member who was interjecting earlier. Parry Sound is larger.

Mr. Fleming: Hastings-Frontenac is the largest.

Mr. McIlraith: I have statistics showing the precise number of square miles in all these cases if the hon. member wants that information.

Some hon. Members: Dispense.

Mr. McIlraith: I take it that it is the wish of the house that I should not go into those particulars. Hastings-Frontenac is the tenth in size. Eight of the nine constituencies that are larger in size have more population. All of the nine that are larger in size are represented by Liberal members.

Mr. Fleming: What about South Renfrew?

Mr. McIlraith: We proposed to put part of the constituency of Hastings in South Renfrew, and the opposition members opposed that proposal in committee.

Mr. Fleming: May I ask the hon. gentleman if he will give the population of South Renfrew after the change has been made and

compare it with the population in the riding of Hastings-Frontenac?

Mr. Fournier (Hull): Mr. Speaker, we are not in committee.

Mr. Fleming: Will he give comparisons with respect to the areas?

Some hon. Members: Question.

Mr. Speaker: Is the house ready for the question?

Some hon. Members: Question.

Mr. Fleming: Is my question not going to be answered?

Mr. Speaker: Those in favour of the amendment will say "yea".

Some hon. Members: Yea.

Mr. Speaker: Those opposed will say "nay".

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Speaker: Call in the members.

The house divided on the amendment (Mr. Drew) which was negatived on the following division:

YEAS

Messrs:

Argue	Graydon
Bryce	Green
Cardiff	Hees
Casselman	Hodgson
Charlton	Lennard
Churchill	Macdonnell (Greenwood)
Coldwell	MacLean (Queens)
Courtemanche	McGregor
Diefenbaker	McLure
Drew	Nowlan
Fairclough, Mrs.	Robichaud
Fraser	Spence
Fleming	White (Middlesex East)
Fulton	—27.

NAYS

Messrs:

Abbott	Cleaver
Anderson	Cloutier
Applewhaite	Corry
Ashbourne	Cote (St. Jean-Iberville-Napierville)
Balcom	Cote (Verdun-La Salle)
Bater	Darroch
Beaudoin	Denis
Black (Chateauguay-Huntingdon-Laprairie)	Deslieres
Blackmore	Dewar
Blanchette	Dickey
Blue	Dumas
Boivin	Eyre
Boucher	Fair
Bradley	Fontaine
Brisson	Fournier (Hull)
Brown (Essex West)	Fournier (Maisonneuve-Rosemont)
Cameron	Fulford
Campney	Gardiner
Cavers	Gillis
Claxton	Gingras
Gourd (Chapleau)	McWilliam
Gregg	Major
Harris (Grey-Bruce)	Martin
Harrison	Masse
Hellyer	Mayhew
Henry	Monette
Hosking	Mott
James	Murray (Cariboo)
Jutras	Mutch
Kirk (Antigonish-Guysborough)	Picard
Kirk (Digby-Yarmouth)	Quelch
Lafontaine	Ratelle
Laing	Riley
Langlois (Gaspe)	Roberge
Leduc	Robertson
Little	Robinson
Low	Rooney
Macdonald (Edmonton East)	Rousseau
MacKenzie	St. Laurent
MacNaught	Sinclair
McCann	Stuart (Charlotte)
McCubbin	Viau
McIlraith	Ward
McLean (Huron-Perth)	Weir
	Whiteside
	Winters—90.

Mr. Catherwood: Mr. Speaker, I was paired with the hon. member for Kent, Ont. (Mr. Huffman). Had I voted I would have voted for the amendment.

Mr. Speaker: Is it the pleasure of the house to adopt the motion for third reading of the bill?

Mr. Drew: On division.

Motion agreed to on division and bill read the third time.

Mr. Speaker: Is it the pleasure of the house that this bill be passed and that the title be as on the order paper?

Mr. Fleming: On division.

Bill passed on division.

BUSINESS OF THE HOUSE

Mr. St. Laurent: Mr. Speaker, may I suggest that when you leave the chair hon. members might wish to consider coming back at half past two instead of three o'clock.

Some hon. Members: Agreed.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

The Chairman: I would remind hon. members that the committee will resume its business at 2.30 p.m.

At one o'clock the committee took recess.

The committee resumed at 2.30 p.m.

DEPARTMENT OF RESOURCES AND DEVELOPMENT

General—

420. Emergency shelter administration, $100,000.

The Chairman: We will first take up items 420 and 421, which are to be found at page 56 of the book of estimates, and also item 557 which is to be found at page 74. Hon. members will recall that these three items were referred earlier to the standing committee on banking and commerce and are now brought back before the committee of supply.

Mr. Fleming: I think it is a regret that many members of the house will share that the first debate in this present session on the subject of housing should be reached only on what may be the last day of the session. When the minister's estimates were called some weeks ago, in view of the fact that the banking and commerce committee was sitting under an order of the house reviewing the annual report of Central Mortgage and Housing Corporation it was agreed that these three items from the estimates should be added to the reference to the committee on banking and commerce. While that committee submitted its report to the house several weeks ago, this is the first time that the estimates of the minister have been called again.

I submit that a subject as important as housing is for all sections of this country is entitled to more time and attention in the house than has been given to it at the present session. At the same time I wish to commend the reference this year of the annual report of Central Mortgage and Housing Corporation to the banking and commerce committee. I believe this is the first time since Central Mortgage and Housing Corporation was established that any report from that important organization has been referred to a committee of the house for study and review. Indeed, I believe this is the first occasion in the lifetime of the last two parliaments when any committee of the house has studied housing in any of its aspects.

In my view the banking and commerce committee conducted a very thorough review of the matters referred to it within the scope of the reference to the committee. The committee held many meetings, had extended discussions and an abundance of evidence from Mr. David Mansur, the very able president of Central Mortgage and Housing Corporation. I am satisfied that within its terms of reference the committee has done a very thorough piece of work. I had occasion more than once to urge that the committee should have broader terms of reference. The reference under the order of the house confined the committee to the annual report of the corporation, and it was the ruling of the chairman, and I believe the view of the majority of the members of the committee, that the committee was precluded from hearing other organizations interested in the subject of housing. The result was that we had no other witnesses before the committee than Mr. Mansur and on one occasion the minister himself.

The only other submissions that reached the committee were letters received from three organizations which have a very important stake in housing, namely, the National Housebuilders Association Incorporated, which wrote a letter dated June 4 to the chairman of the committee, the Canadian Construction Association, which wrote a short letter dated June 4 to the chairman of the committee, and the Dominion Mortgage and Investment Association which wrote a letter dated June 11 to the chairman of the committee. There were some interesting matters mentioned in those letters but I am afraid no one can say that any extended consideration could be given to them under the circumstances, particularly when representatives from those important organizations were not called before the committee.

I do not say that these three organizations are the only ones which could have had interesting and valuable views to submit to the committee. Indeed, there are many organizations which, both from the point of view of the practical problems of construction and also from the point of view of the place of housing in any public policy, would have had much to contribute in assisting the committee. However, so far as the report of Central Mortgage and Housing Corporation is concerned it undoubtedly had a thorough review at the hands of the committee.

Opinions are divided, as we found in taking the evidence of Mr. Mansur, as to the extent of the housing problem in Canada today. The dominion bureau of statistics in its daily bulletin of June 4, in summarizing some interesting findings with reference to housing data from the 1951 census, opens its summary with this sentence:

> In June last year Canada's ten provinces had a total of 3,587,364 dwellings, of which 3,423,010 were occupied and the balance either under construction or unoccupied for various reasons . . .

Then follows in summarized form a review of the statistics province by province garnered in the course of the census. I think it is not unfair to say that there was some reluctance on the part of Mr. Mansur to put any exact figure on the shortage of housing in Canada today. He did take issue quite firmly

with the estimate put on that shortage in 1944 in the report of the Curtis royal commission on housing. We were left at the conclusion of the hearings without any very definite estimate. Indeed, there are factors in the situation as portrayed by Mr. Mansur which from his point of view make it very difficult to put an estimate on the shortage of housing in Canada today.

However, Mr. Mansur did submit to the committee some interesting figures in regard to the development of housing needs in the years commencing with 1946, and the construction of houses to meet that need. In the year 1946 he estimated the net family formations at 107,500 and the number of new housing units at 67,194. In other words, he estimated in the year 1946 that we fell behind to the extent of 40,306 units. He estimated that in the year 1947 the net family formations in Canada were 75,400 and new housing units completed were 79,231. In other words, he estimated in the year 1947 that we did construct 3,831 houses in excess of the net family formations in that year. He estimated that in the year 1948 net family formations were at 83,000 and new housing units completed were 81,243, or a deficit of 1,757. For the year 1949 he estimated net family formations at 77,100 and new housing units completed were 91,655, or a surplus in that year over net family formations of 14,555 units. For the year 1950 he estimated net family formations at 73,500 and new housing units completed were 91,754 or a surplus of 18,254. In 1951 net family formations were 96,500, a very substantial increase, the largest in the country's history, I believe, with the exception of 1946. New housing units completed in 1951 were 84,810 or a deficit in the year 1951 of 11,690 units.

For the six-year period the totals estimated by Mr. Mansur are these: Net family formations, 513,000; new housing units completed 495,887 or a deficit in the six-year period of 17,113 units.

I pause to observe there, Mr. Chairman, that in this six-year period when unquestionably housing construction rose to the highest rate in the country's history we still fell behind the net family formations in Canada to the extent of 17,113 units according to this estimate. I stress, Mr. Chairman, that this is only an estimate but it can be taken I think as probably the closest estimate that is available in Canada for this period.

Now, sir, this means that over this six-year period we have not quite met the needs arising out of current family formations in Canada. From that one may deduce the fact that our housing position or the housing deficit in Canada at December 31, 1951, was slightly more than it was at December 31, 1945. We have not been given any firm figure, as I have indicated, of the housing deficit in Canada at December 31, 1945. When I raised the matter in committee and asked about the report on housing in Canada by the Curtis royal commission in 1944, Mr. Mansur disagreed with it and said that he was not prepared to accept the estimate put on the deficit by the Curtis royal commission. However, there is nothing in these figures and other available figures, Mr. Chairman, to indicate that housing is not still a very serious problem in Canada and the deficit in housing is substantial.

In saying that, I am taking account of the points raised by Mr. Mansur when he said that in his view, owing to certain conditions about which I shall say more shortly, other factors have entered into the effective demand for housing. To other economic factors he attributes the slackening of effective demand in certain quarters for housing—that is to say on the part of people who need and want housing but who under present conditions by reason of factors of cost and municipal taxes are not able to pay what is required to provide themselves with housing.

The next point I wish to dwell on for a moment is the extent of the financial stake which the country has already acquired in housing. Bear in mind, Mr. Chairman, that our housing legislation goes back to the year 1935 when the first Dominion Housing Act was enacted. You will remember that in the year 1936 that act, brought in by the Bennett government, was repealed and was replaced by a substitute act, and in 1944 parliament enacted the present act, the National Housing Act. Under the National Housing Act financial provision has been made by parliament in various respects to assist construction of housing in Canada. I am not going to weary the committee unduly with certain of these figures, but it seems to me, Mr. Chairman, that some reference should be made to them because they are impressive in relation to the financial stake which the country already has in housing. When I say "the country" I mean the federal government.

Just to choose a few figures on the five types of financial assistance provided by the National Housing Act I will give the following. Under section 7, on account of home-owner loans, the total appropriation by parliament to date aggregates $300 million against which commitments exceed $232 million. Under section 12, slum clearance,

parliament has appropriated $20 million against which only $1,150,000 has yet been committed. Under section 13 on account of loans for rental housing, parliament has appropriated $150 million against which approximately $99 million has been committed. Under section 16, parliament has appropriated for experimental plumbing and heating equipment, $5 million against which nothing has been committed. Under section 27A parliament has appropriated $5 million for housing research and community planning, against which $1,700,000 in round figures has to date been committed. In total, Mr. Chairman, against an aggregate parliamentary appropriation of $480 million, the commitments to date total in round figures $333 million.

There has been within the past year and a half a startling decline in construction. It is evidenced not only in the completions but it is very strongly evidenced in starts. We of the official opposition levelled strong criticism against the government for the abandonment without any authority from parliament early in February 1951 of the provision made by parliament at the fall session of 1949 for the equivalent of second mortgage loans in addition to the loans provided under part I of the National Housing Act—what was commonly called the additional one-sixth loans. We have said that it is no mere coincidence that the evidence of decline in housing starts which occurred then coincided with this declaration of a new policy on the part of the government.

Now, there are many figures available, Mr. Chairman, exceedingly valuable in the information they contain, but I must pass on as swiftly as I can. I mention in passing that that situation continued into the spring of 1951 when housing starts compared with the year 1950 particularly showed a decline; and I will give you just the total percentage figures, Mr. Chairman, without worrying about the decimal figures: April 4 per cent; May 19 per cent; June 26 per cent; July 41 per cent; August 37 per cent; September 51 per cent; October 51 per cent; November 46 per cent; December 54 per cent. You see how startling are those figures of the reduction in the number of housing starts in the last months of 1951 as compared with the corresponding months of 1950.

Now, that decline continued into the year 1952. I am going to give you a comparison with 1951, but a comparison with the figures for 1950 would show a very much greater decline percentagewise. January 1952 showed a decline of 42 per cent in housing starts as compared with January 1951. February declined 29 per cent. Then, in March what might appear at first blush to be a reversal of the trend appeared and housing starts increased 4·6 per cent as compared with March, 1951. April, 1952, increased 2 per cent as compared with April, 1951. However, Mr. Mansur cautioned us against attaching too much importance as yet to what appeared to be a slight reversal of the trend in March and April, because he said there were certain additional factors which would account for at least a substantial portion of the increase.

Since the committee has risen, one learns with regret, from the daily bulletin of the dominion bureau of statistics of June 27, that the May figures for starts show a sharp decline as compared with the month of May, 1951. The first paragraph of the report in the bulletin reads:

> Starts on the construction of new dwelling units showed a further sharp reduction in May as compared with the corresponding month last year, while completions were down only slightly. Starts totalled 7,121 units as compared with 11,699 a year earlier, and the completions numbered 5,325 units, compared with 5,688.

Then it proceeds:

> During the first five months of this year starts fell in number to 14,395 from 17,252 in the corresponding period of 1951, and completions declined to 18,391 units from 25,209. The number in various stages of construction at the end of May was down to 38,814 units from 51,090 a year earlier.
>
> There were declines in starts in all regions in May as compared with the corresponding month last year.

In my submission, Mr. Chairman, that is a report that may well cause concern, if not indeed alarm; that is a very startling rate of decline. I remind you, sir, that this decline is compared with the corresponding period in 1951 when a heavy decline had already set in as compared with the year 1950. If we compared these 1952 figures with the year 1950, we would see a most startling reduction, not only in starts but in the completion of houses in Canada. While we have no final figures today of the estimated shortage of housing, nevertheless it seems to me there is sufficient in these figures showing the decline in housing construction to emphasize beyond question that housing is still a very serious problem in Canada.

There is no longer a shortage of building materials. It is agreeable indeed, Mr. Chairman, to be assured by Mr. Mansur that there is today a plentiful supply of building materials of all kinds.

Housing costs are still a very difficult factor to contend with. It is estimated by Mr. Mansur that housing costs in 1952 are, and will continue to be, 5 per cent higher than in 1951.

In reference to something I just mentioned in passing a little earlier, I wish to say that we of the official opposition still contend, and the figures to which I have just referred abundantly corroborate and support our position, that the government acted unwisely and certainly without any parliamentary authority in February of 1951 in abandoning the provision made by parliament by way of the one-sixth additional loan. You can see the results, Mr. Chairman, in the figures I have given. In fairness, I wish to make it clear that I do not say that one factor alone accounted for the decline in construction that has occurred since. I do not do that at all. Nevertheless, it is a substantial factor. Mr. Mansur himself was prepared to agree it was a factor, although not prepared to commit himself as to the extent to which it, as a factor, is reflected in the figures to which I have made reference.

There are many builders in this country who would tell you, and they are people who are close to this problem, that the elimination without warning of that one-sixth additional loan provided under section 4 of the housing act did deal a very serious blow to all housing construction in the spring of 1951. The minister says we were faced, as the government thought, with a shortage of materials, and they were taking this step with a view to conserving materials as well as to holding back house construction at a time when the government thought it might have inflationary effects. The best that can be said for the government's calculation on that occasion is that it was a miscalculation. Houses that would have been built in 1951 were not built because the government, without any authority from parliament, chose to make a dead letter of the section of this act which parliament enacted seriously and hopefully in the fall session of 1949. It is admitted, indeed it could not be denied, that houses that are being built in 1952 which might have been built in 1951 are costing more today because of that postponement for a year.

The government did come along some time later, after they had realized the error they had made in February 1951, and they did make provision for increasing the percentage of loans under part I of the housing act to 80 per cent. They went a little further than that in the case of housing units for defence construction workers. There were conditions attached to the provisions for defence construction workers which, I think it is fair to say, substantially neutralized or at least subtracted from the help that might have been expected from the changes that were made late in 1951.

I must pass quickly to a subject which is becoming of increasing importance and increasing difficulty in connection with housing. It is the problem of municipal taxation. The areas of the most acute housing shortage today are in the larger municipalities where serviced land is becoming increasingly scarce, and in the suburbs of great metropolitan areas like Toronto the shortage of serviced land is exceedingly acute. It has become so acute that municipal governments in suburban municipalities have become so alarmed at the rising cost of municipal government—particularly the cost of servicing land for housing—that, in many cases, they are requiring the builder himself to provide the servicing of the land, at his own cost and entire present outlay before they will even grant him a building permit. That fact has created a serious situation.

Educational facilities become increasingly costly. Mr. Mansur has given what he regards as a conservative average estimate that it costs $25,000 to provide each new room in new schools in these areas where housing is being rapidly expanded and where the demand for housing is most acute today. The results are being felt more and more keenly every day as more municipalities, instead of welcoming and assisting housing, are in self-preservation putting these difficulties in the way of builders by insisting that the builders provide the services for the land; and those services, Mr. Chairman, as you well know, are becoming more costly every day. Therefore the housing problem in Canada cannot be grappled with effectively apart from some realistic approach to the problem of an inadequate municipal tax base. More provision must be made for municipal revenue if municipalities are to be expected to carry the responsibility and the load of providing municipal services, social services and educational services which the law requires them to provide today. If we want to help the housing problem in Canada, we cannot have a better slogan than this: Help the municipal governments!

Just in conclusion may I mention the subject of development schemes under section 35. This is a matter of great concern particularly in the larger urban areas where we have a great shortage of housing today and where there are many people who are unable to pay an economic rent. I should say that while section 35 had general support in the house, and was welcomed in all parts of the house, when enacted in the fall of 1949, perhaps the inherent difficulty in connection with the section is that it requires joint action at three levels of government, namely, federal, provincial and municipal. On that

account, Mr. Chairman, almost inevitably the use of section 35 has been slow.

There are now evidences that different provinces are interesting themselves and that they are prepared, in partnership with the federal government, to put section 35 actively to work. In my own province of Ontario the government has shown a lively interest in this subject and has recently made an announcement of government policy. Whereas previously the standard proportion of distribution of costs among the federal, provincial and municipal governments was 75 per cent federal, 17½ per cent provincial and 7½ per cent municipal, it has been announced that the municipal government will assume the municipal share and bear the full 25 per cent where housing provided under these development schemes is used to accommodate persons who cannot pay an economic rent. Where that accommodation is made available to persons who are well able to pay an economic rent the provincial government has said—and I think rightly so—that the municipality should be expected to bear its 7½ per cent share. Mr. Chairman, one may look hopefully to the future for more active use being made of the provisions of section 35.

When this section 35 was introduced in the house in the fall session of 1949, some of us had some difficulty because, in the light of a statement then made by the Minister of Resources and Development, we felt that it was apparently not the intention of the government to put it to use in connection with redevelopment schemes; that is to say, not schemes where virgin land is taken for construction and housing schemes but cases where an existing built-up area—presumably one where slum conditions prevail or where substandard housing exists—should be acquired, cleared and then made available for the construction of new housing.

In its inquiry the committee encountered that problem and has made recommendations which the minister assured us have his support; they are to be found in the report. I do not delay now to read them. However, I express the hope that at the earliest opportunity in the next session the government will introduce to the National Housing Act amendments to give effect to those useful recommendations.

One must express regret that the situation was miscalculated by the government a year ago last February when the one-sixth additional loan was withdrawn, and that it was further miscalculated at about the same time when some important and much-needed government housing projects were stopped. I am thinking particularly of the veterans housing project at the Fraserview site in Vancouver. On that site it had been planned that 1,100 houses for veterans should be constructed but construction was stopped early in 1951. Six hundred houses were then completed and the other 500 were not proceeded with. At the end of the year, after ten valuable months had been lost, construction was resumed. The result has been not only the loss of ten valuable months but an increase in the cost of the same 500 houses which would have been carried to completion if the government had not intervened and stopped the work. The additional cost is $400,000. It seems to me that that is a heavy price to pay for a government error and miscalculation.

This problem is still one of serious proportions. While we have had a useful and comprehensive review in the committee, I think we can all again express our concern that there is today a serious shortage of housing in Canada and that there are evident conditions today which make it apparent that the need is not likely to be met unless help is given to the municipalities and a new drive is put behind our housing effort in Canada.

Mr. Coldwell: Mr. Chairman, I shall say only a few words because the hon. member for Eglinton has covered the matter thoroughly, it seems to me, and has brought to the attention of the committee some weaknesses that have come to light in connection with our housing plans. He put on the record figures which indicated that we had fallen behind in providing homes for family units already formed or in the process of being formed. There is also, of course, the other matter which makes this an important consideration, namely that houses become obsolete as time passes, and housing becomes poor in various areas of our cities and, indeed, in our rural communities. In the figures which he presented to us, and which were given officially before the committee, no consideration was given to obsolescence and to the necessity for slum clearance and the replacement of homes both in the cities and, may I add, in many of our rural areas. I say that because while we find bad housing conditions in our towns and cities, we often find very deplorable housing conditions in the rural areas of this country. I agree with the hon. member when he says it is becoming difficult for municipalities to provide the services that are necessary. I have in mind schools, as well as sanitary arrangements including the sewers, water supply and the like.

I know that even in some of the newer subdivisions in this city of Ottawa, while the city is providing water, no provision has been made for sewage disposal, with the

result that the costs of individual home builders are greatly enhanced because septic tanks have to be installed—equipment which I would hope in a few years would no longer be necessary. There will be therefore a dead loss both to the persons who instal the septic tanks and to the economy in general.

Having said that, I wish to add this, that one of the deficiencies in connection with Central Mortgage and Housing Corporation, and its operations, is the lack of adequate inspection of houses under construction. I know that that is the obligation of the lending institutions, but the lending institutions are providing very inadequate inspection.

Last year I had the opportunity of watching a home in this city in process of construction. Had the young couple who were to inhabit that home not watched the house every day, the results would have been disastrous. Some of the young people in that neighbourhood did not watch the building of their houses, with the result that there was a good deal of scamping and poor workmanship, and specified materials were not included in those homes for which they were paying, I think, excessive prices.

When young people have to pay $17,000 or $18,000 for a home that could have been built 25 years ago for $8,000, or $9,000—

Mr. Fraser: No, $6,000.

Mr. Coldwell: —they are entitled to expect at least that the specifications will be carried out. Let me say from personal observation that specifications are not always carried out. In one case I have in mind the people who entered into a contract to buy the house, and who had made the down payment, found it difficult even to find on the job the plans from which the contractor was working. It was only after insisting, day after day, that the plans be produced, and that certain things specified in the plans be done, that they had any success. As a matter of fact things were done that were not in the plans and, as a result, had to be undone, upon the insistence of those who were paying for the home. Drainage was bad and grading of the lots delayed unduly and so on.

I say when parliament is providing a plan of this description every effort should be made to see that proper inspections are made.

Young people cannot go to the additional expense of hiring architects to look after the building of these expensive homes. I use the term "expensive" in the relative sense, of course. They cannot do that; and the result is that in some instances contractors are getting away with nothing short of murder. I know that in the neighbourhood I have in mind at the moment those young people who did not watch the building of their homes had all sorts of trouble with the construction and the workmanship and failure to fulfil the contracts as they were intended to be fulfilled. I say all these contractors should be carefully supervised. I would even go to the extent of saying that some of them should not be permitted to take contracts at all for the building of homes, because certainly they have been victimizing large numbers of young couples who have found it necessary to secure homes under very difficult conditions.

That situation exists right in this city, and in other cities as well, as I happen to know. I say the time has come when the department should take a hand in the matter of inspection and supervision. Where a contractor has a poor record, as some of them have, the lending institutions should be told that Central Mortgage and Housing Corporation will not stand behind contracts made by contractors of that kind.

Passing across Canada I have been told that this sort of thing has been happening in other places as well. I have been speaking from personal knowledge and personal observations of about a year ago when I have referred to what has taken place in Ottawa. I do not want to name any contractor, or put any name on the record of *Hansard*; but on more than one occasion last autumn I was tempted to do so while I watched the building of these homes, and saw what was being done.

I rise simply to emphasize that fact. I know hon. members do not wish to listen to a long speech at this time, nor do I wish to repeat everything that has been said by the hon. member for Eglinton. He said it well, and made a good summary of the evidence placed before the committee. I am not going to indulge in reiteration. But I did wish to drive home that one point, that we must have better supervision and inspection.

Mr. Fraser: I should like to support the hon. member for Rosetown-Biggar in what he has said about inspection, because I have had more than a dozen complaints in this connection brought to my attention. I believe that in respect of all these loans Central Mortgage and Housing Corporation should have an inspector on the job, and he should be there not just once a month or once every two weeks, but often enough to check on all the details and to see that all the specifications are carried out. Because, as the hon. member for Rosetown-Biggar has said, in many cases these young people have not the opportunity or the knowledge to check on the specifications and blueprints.

I know of cases where grading called for in the specifications was not done. These young persons, after they move into their homes, try to have this done. Perhaps after two or three years they have to let it drop because the lending companies and the trades will not do it. Then, in many cases the plumbing in these homes is not done according to municipal specifications. These are things inspectors from Central Mortgage and Housing Corporation could check.

Mr. Blackmore: Mr. Chairman, while the committee was considering the excellent report of Central Housing and Mortgage Corporation I gained the impression that altogether too much stress is being placed upon making the loans safe for the lending companies, and altogether too little on the importance of providing homes for people at prices they can afford.

The farther we go in this era of high living costs, the more I become alarmed when I contemplate what is going to happen to this country if something is not done to remedy the housing situation. People who have to rent houses in ordinary communities are faced with costs utterly beyond their ability to pay out of the incomes they are able to obtain. People who attempt to build are confronted with costs which mean in the last analysis, for I would imagine 75 or 80 per cent of them, that after struggling for a number of years to try to pay for their homes they finally have to give them up. This means that in the result the lending institution, which in the last analysis is the state, appropriates the home.

That condition is quite unsound. I do not propose to multiply words at this time, but I would remind the minister and the government that it is physically possible in Canada to render available to every Canadian a home at a price he can afford to pay. If it is not financially possible then it is high time that something was done about the financial set-up of this country. It is not financially possible today for the vast majority of Canadians to acquire a home. I think I shall leave it there.

Mrs. Fairclough: Mr. Chairman, I do not think I can let these items pass without a few comments upon the subject of housing in which the minister knows I am keenly interested. The hon. member for Eglinton has placed on the record statistics which show a deficit of 17,113 units in a specified time. I should like to make some comments with regard to the conditions which undoubtedly were not considered at the time those statistics were compiled. I refer to the units which are razed for various purposes, some because they are obsolete and others because they must be removed in order to provide for industrial growth. This is a problem which confronts industrial cities like Hamilton.

Of course, industry must grow, and in the main it must grow in the district where it is established. If in order to promote the growth of industry and to provide jobs for more workmen it is necessary to remove residential structures, then of course one cannot stand in the way of progress. But these only add to the figures which have been placed on the record by the hon. member for Eglinton.

I do not think there is any argument that one of the most stabilizing factors in our national economy is home ownership by the individual. That is a statement which has been made time and time again by responsible authorities, and I am sure we are all in complete agreement with it. If under our economy we prevent the ordinary workman from purchasing a home, then we work against not only the economy of our nation but the morale of our workers upon whom we must depend for our growth.

In that regard I think the statement made by the hon. member for Eglinton, but which was not elaborated, bears some examination. The hon. member made reference to municipal taxation. A great part of the heavy cost of new homes is due to the cost of servicing land which is carved out of areas formerly suburban or rural in character. When either by annexation or by agreement with adjoining municipalities a particular municipality seeks to make serviced land out of what has been unserviced land it immediately runs into extremely heavy costs. In this connection I can think of no better example than a project under way on the mountain in Hamilton where a trunk sewer costing several million dollars is being installed, a large proportion of the cost being borne by the taxpayers of Hamilton in order to provide services for land which within the past few years has been annexed to the city, some of it this year. This particular land could not be serviced in any form until the trunk sewer was put through.

In addition to the servicing cost which finds its way into the taxes paid by the home owner who benefits, a proportion of this cost must also be borne by the whole municipality. The result is that there is placed upon the real estate of the city the burden of paying part of the cost of providing services to new areas which are annexed to rapidly growing municipalities.

Until that situation can be rectified there is little hope of solving the housing situation in Canada. To me this constitutes the greatest deterrent to home ownership in this country

This problem can be solved only by following the suggestions which have been made repeatedly in this house by various members of the opposition that a dominion-provincial conference be called to discuss the general reallocation of tax revenues and to provide for returning to the municipalities at least some of the tax revenues which are charged directly against them.

In my opinion it is not equitable that a municipality should have to pay a tax upon the gasoline used in its vehicles operating within its own boundaries or that it should have to pay a sales tax on equipment and other things which it purchases for its own use and then in return receive nothing whatever from the federal government in the way of taxes on the premises or real estate within that municipality occupied by the government. It just does not add up.

A conference of the type I have mentioned could go into all these matters. I understand that some of these were discussed this week by Mr. D. C. Corbett at the meeting of the Canadian federation of municipalities which is being held in the west. All these factors contribute to the situation which prevents the ordinary workingman or wage earner from providing his family with a home.

In cities like Hamilton and many other places in which there has been a great influx of population within the last ten years you find families living in one or two rooms, in shared accommodation, under conditions which are a disgrace to people who want to raise their children to observe the religious and moral laws which have been handed down in this country from generation to generation. The conditions under which many of these people live practically prohibit the bringing up of children who will be healthy in mind as well as in body.

I strongly urge the minister to lend his support in convincing the cabinet to call a dominion-provincial conference which will deal with these aspects of this important problem so that people in our municipalities may be able once more to build their own homes and provide roofs over the heads of their children.

Mr. Gillis: Mr. Chairman, I know the minister wants to catch a plane at four o'clock and I am not going to start a debate at this time on the question of housing. I think the hon. member for Eglinton did a good job this afternoon in putting on the record the information on this subject which he had gathered in the banking and commerce committee. I think that information will provide a good basis for a real discussion of this matter at the next session. I never had any illusions about the National Housing Act providing homes for the average salary and wage earner in this country because the economic unit fixed by the act when it was enacted ruled out anyone earning less than $8,000 or $9,000 a year. I never had any illusions about that, and I am very glad it is beginning to get through to others in the house that the Sun Life Assurance Company and other institutions of that kind are not going to provide housing for the average income recipient in this country.

I want to say to the minister that there is one problem about which I wrote to him and spoke to him, and I am wondering if any thought has been given to it in the interim. I refer to the problem of those who built homes between 1947 and 1950. They applied for loans covering their homes based on the prevailing prices of lumber and materials at the time, but between the time of securing the loan and completing the building the inflation in the price of building materials shoved up the price of the housing unit by some $2,000 to $2,500. I am thinking of the type of case I brought to the attention of the minister, that of people with an income of about $50 a week who figured out their budget and could make their mortgage payments on the basis of the amount of the original loan. However, in completing their home they found that because of inflated prices they were in debt for a couple of thousand dollars to a lumber dealer. In the cases of which I have knowledge the lumber dealers are pressing for the payment of the additional money.

The people affected thought they could secure a supplementary loan to make up the difference through Central Mortgage and Housing Corporation and the insurance companies, but as indicated by the hon. member for Eglinton that policy has been changed. These people are told to go to some other financial institution and take a second mortgage but that is impossible to that income group because it means adding about $50 a month to their mortgage cost and they are not able to handle it. There is a problem there. There may not be so many involved, but there are extenuating circumstances in the case of people in the lower income groups who tried to build homes. I should like to know whether the minister has got in touch with the insurance companies. These people are not averse to having an additional $2,000 added to the mortgage they already have with an insurance company but they do not want to have to go elsewhere and have to

finance under new rates and all that kind of thing. Has the minister given that matter sympathetic consideration, and can that type of case expect some relief within a reasonable time?

Mr. Hosking: The problem of housing is one which I am sure gives the minister a great deal of concern. I do not believe there is any greater handicap so far as the development of the country is concerned than the situation which has arisen in municipalities on account of high taxes and the shortage of housing. It is a well known fact that the most efficient form of government we have is that of the local municipality. I feel the minister should give every consideration to the municipalities in order to see that they do not lose their autonomy. Great care should be taken to see that any form of help which may be devised by a dominion-provincial conference should not be in the form of grants donated to the municipalities. It is a very bad thing for municipalities to lose control of their sources of revenue. If we are going to have efficient government at the lower levels the municipalities must be responsible for their sources of revenue and should not be assisted by way of grants. They should be assisted by giving them a direct source of taxation. That must be given to them at some time in the near future as the result of a conference between the provinces and the dominion.

When the question of housing is being discussed between the provinces and the dominion I ask the minister to use his influence to see that this topic is thoroughly discussed and that some satisfactory arrangement is made whereby municipalities will not be under the thumb of the municipal boards of the provincial governments. If the city and county councils are under the thumb of the government which makes the grant, they have to spend the money granted and the money raised by their own taxes as they are directed by that government. I think all members will agree that this is not a form of taxation that was envisaged when the British North America Act was first devised. This practice is a derivation of one malpractice after another as a result of which the municipalities, on which this country is absolutely dependent, are under the thumb of the municipal board which is not responsible to the city or county. When the minister is dealing with the problem of housing, in which the municipalities and the provincial governments are so much involved, I would ask him to point out this matter to the provincial governments so that with the help of the dominion government there may be some readjustment made so far as remedying this abuse which has developed over the years.

Mr. Fulford: There is one matter I should like to bring to the attention of the minister. I refer to the almost insurmountable obstacle facing the smaller municipalities with respect to new housing development. I have special reference to my own town of Brockville. Central Mortgage and Housing Corporation contemplated a development there for which they have the property. If they had proceeded with their plans it would have meant that about $700,000 would have been spent. Unfortunately the section of land involved is in the township and will have to be included within the town limits. That means the installation of public services such as sewers, water mains and hydro lines. The town authorities secured an engineer's report on the cost of installing these facilities, and it was found that they would cost more than the development contemplated by Central Mortgage and Housing Corporation. I appeal to the minister to devise some method whereby municipalities can be assisted when they find it necessary to expand beyond their own boundaries in order to proceed with housing development. In the particular case about which I am speaking I know that the Brockville town council had no other alternative than to turn down the offer of Central Mortgage and Housing Corporation. We are so desperately in need of houses there that I just do not know what the immediate future holds for the town. We have to have the houses, services must be supplied, and at the present time the municipality just cannot afford it.

Mr. Hees: Mr. Chairman, when the government abolished the one-sixth mortgage loan on February 5 of last year, the Minister of Resources and Development advised the house that the government was taking this step in order to conserve building materials which were needed for the defence program.

The situation today was described by Mr. Mansur, president of Central Mortgage and Housing Corporation, when he spoke before the banking and commerce committee on May 6 last, and I should like to quote his words as recorded at page 29 of the proceedings of the committee. He said:

> Early in 1951 there were some limitations upon new residential starts because of shortages of certain types of building materials. This difficulty no longer exists, and I do not believe that, except in very isolated instances, will the lack of building materials play any part in limiting the amount of new residential construction in 1952.

In other words, Mr. Chairman, the reasons which the minister cited to justify the removal of the one-sixth mortgage loans have now disappeared. And yet the government

refuses to restore this measure, which so greatly assists those who wish to buy a new house.

Now, because of the abolition of the one-sixth mortgage loan, it is generally agreed today that a man must earn at least $5,000 a year, for at least four years, in order to set aside the $2,000 or more which is now required as a down payment on a new house. That means that people with incomes of less than $5,000 a year are virtually excluded from buying a new house. This, I believe, defeats the purpose of any good housing legislation, which is to encourage people with low incomes to own their own homes.

I believe that good housing is an essential to sound and happy family life. In this regard, I would like to refer to the opinion expressed by the secretary of the Canadian Welfare Council's family welfare division, when speaking at a meeting of the Canadian Welfare Council in Ottawa on May 14 last. On that occasion she said:

> A lack of housing has become Canada's most acute social problem affecting family life. More cases of family quarrelling, desertions and juvenile delinquency have been traced to the housing scarcity than to any other cause. My estimate is based on field reports by Canadian welfare agencies. The housing problem already has been brought to the attention of the federal government, but so far, little has been done about it.

Mr. Chairman, I believe that we must do everything possible to encourage people to buy their own homes, because it is one of the best investments that we can possibly make in good citizenship. Unfortunately, however, the government's present housing regulations make it virtually impossible for a man with an income of less than $5,000 a year to buy a new house.

The maximum down payment which a workingman can lay aside, over a reasonable period, is about $1,000. I believe, Mr. Chairman, that the government must take steps to see that a good minimum house can be obtained by making a down payment of $1,000. This investment in better housing for working people will, I believe, pay off many times over in the years ahead in healthier, happier and better citizens.

Now, another kind of housing which I believe is of prime importance to a great many people is good rental housing at a reasonable rent. The answer to that problem, I believe, is the low-rental housing project, in which the three levels of government participate.

My own city of Toronto has an excellent example of that kind of housing, in the Regent Park project. I believe that Toronto needs at least four more of these projects, and I hope, now that the province of Ontario has taken over the 7½ per cent of the cost formerly borne by the municipalities, that Toronto and many other centres will undertake projects of this kind on a large scale.

I hope that the city of Toronto will very soon be presenting plans to the Ontario government for several of these housing projects. I also hope that other provinces will follow the example of Ontario, in assuming the full 25 per cent of the cost formerly shared by the province and the municipality.

This relieving of the municipalities of their share of the cost should, I believe, make it easy for many centres to undertake these low-rental housing projects. I believe, Mr. Chairman, that they are the only answer to the housing problems of a very large number of Canadians.

The Chairman: Shall the items carry?

Hon. Robert H. Winters (Minister of Resources and Development): Before they do carry, Mr. Chairman, I just wish to say a word of appreciation to those who have taken part in the debate which I think has been of a high order and very constructive.

I agree with the hon. member for Eglinton in particular as to the value of the committee, and rather than reply in detail here today I would refer hon. members, and anyone else who wants to read a full and comprehensive report of the various aspects of the housing problem, to the proceedings of the committee wherein matters of detail and certain aspects of policy are dealt with. Answers were given to various questions which arose.

It is all very well to say that the level of loans should be increased and that the amount of the down payments should be decreased. However, the majority of houses are not built under the terms of the National Housing Act, and I can only speak for those that are built under its provisions.

I can say that we have had difficulty in persuading the lending institutions to go along as far as they have in making loans available and in reducing down payments. They feel that there is a limit beyond which the intrinsic value is just not there. I say in that same connection, having in mind the abolition of the one-sixth loan, this action was taken for reasons which were mentioned —that is shortage of materials and the fear that a great many houses would be started and not completed; and also we had in mind the great defence effort which was the first claim against materials and other resources. Subsequently a step was taken which had the effect of restoring the one-sixth, and that was to make available loans in the amount of 80 per cent of the agreed sale price.

Perhaps it might be appropriate if I were to quote an example.

Prior to February 6, 1951, under the additional loan technique a one and a half storey five-room house, selling for $10,000, would receive a loan of $8,166, calling for an equity or cash payment of $1,834. The same house financed under the present provisions would sell for $10,500. The loan would amount to $8,400 and the cash equity would be $2,100. Upon this comparison and similar ones that might be made I base the statement that we have substantially restored the provisions. You will note that while the agreed sale price has increased by $500 by reason of an overall increase in construction costs, the down payment required has gone up by an amount of $266 only, and the amount of the loan has increased by $234.

I do admit, of course, that under the statute as it reads today it is possible to make the one-sixth loan in addition to the higher 80 per cent loan. The clause is entirely permissive. There would, however, be reluctance on the part of the lending institutions to participate in higher loans if they had added to them an additional one-sixth. Moreover, loans of 80 per cent at present levels of costs are a sufficient burden for the ordinary home owner to carry without adding to that burden by an increase in the loan. This is particularly true in view of the very high level of municipal taxation prevailing today.

In specific reply to the hon. member for Cape Breton South, I may say that we have given that matter most sympathetic consideration. We have talked to the lending institutions but, for the reasons I have mentioned, and owing to their views about intrinsic mortgage values, we have not yet been able to reach an agreement with them that a higher level of loans should have been made in the particular instance which the hon. member has in mind.

Mr. Coldwell: What about the inspections?

Mr. Winters: The hon. member for Rosetown-Biggar asks about the inspections. Responsibility for adequate inspection, under the terms of the National Housing Act, rests with the lending institution. The basic arrangement is between the builder as vendor on the one hand and the ultimate owner as purchaser on the other. The lending institution makes the inspections necessary to ensure that the mortgage money is being used to advantage.

Mr. Coldwell: May I say they do not make the inspections.

Mr. Winters: We have had the criticism that they do not make the inspections and I am inclined to agree that the criticism is valid in many instances. We have been speaking to the lending institutions and endeavouring to persuade them to improve their inspections. We have done what the hon. member for Rosetown-Biggar suggested we should do, that is, under certain circumstances, we refuse to make loans to particular builders who are known to have bad records in building houses. We have that problem under consideration, and we are trying to work it out.

Mrs. Fairclough: In regard to the minister's statement that loans become inactive, let us say where there is a difference of more than 5 per cent between the builder's estimate and that of Central Mortgage and Housing or more than 3 per cent between that of the lending institution and Central Mortgage, I want to say there are a great many cases where the prospective home owner is faced with the necessity, if he is going to own a home, of taking on the difference himself in order to come within that provision.

Mr. Winters: Yes, there has to be an agreed sales price.

Mrs. Fairclough: There is a great deal of that.

Items agreed to.

The Chairman: We shall now take up items 255 and 256, the national film board. I might say that these items have been thoroughly studied by a committee.

National film board—

255. Administration, production and distribution of films and other visual materials, $2,804,131.

256. Acquisition of new equipment, $115,820.

Mr. Fraser: I should like to say a word in regard to this subject. I said before, and I say again, that I think it was a step in the right direction to set up a committee of the house to study the national film board's estimates. The report of that committee has been tabled, and I believe it is fair. It has been cut down considerably from what it was in the first place, but I believe it could have been cut a little more.

Mr. Winters: I think it is a very good report.

Mr. Fraser: I think it is a fair report. There have been comments in the press concerning a report that the committee sanctioned the moving of the national film board to Montreal. I do not think the committee did that. The committee only said that the premises now used by the national film board were inadequate for its purpose, and that the film board should be housed under one roof. Personally, I believe it would have been better for the film board to move to Peterborough

instead of Montreal. We have a lot of culture there. We have the little theatre and a very noted playwright, Mr. Robertson Davies. We have scenery, and we have a music festival. I do not see why the Minister of Public Works did not suggest that move.

Mr. Fournier (Hull): I could not even bring it to Hull.

Mr. Fraser: The committee investigating the national film board could not have made in 1949 the report it made this year, because the new director has tried to put a little management into that board which we certainly did not have before. It looks also as if the director, Mr. Irwin, has tried to carry out the Woods-Gordon management program. The recommendations of the Gordon firm have been carried out, and there is a statement to that effect on pages 35 and 36 of the committee's report. It might be a good idea to put that on the record, so that the members could see just what has been done.

There is one thing I regret, and that is that the committee did not call witnesses from the Canadian Commercial and Press Photographers Association or the Commercial Motion Picture Association. I believe that is something that should be done at our next meeting, if the committee is set up again next year. I hope that the minister will see to it that it is set up again next year. I think it is fair to the national film board to have such a committee. It gives the employees in the board a little build-up of morale, because they can see that nothing is hidden from the members. On May 8 I asked that the Commercial and Press Photographers Association as well as the Commercial Motion Picture Association be called before the committee. I was told that the steering committee would look into that, but the steering committee did not meet until the deliberations of the committee were completed, on June 20, at which time they studied the report.

The committee was also assured by the director that at the present time the board has not been out hunting up business at it was before. I feel this step creates better feeling amongst the commercial photographers. It was stated also that since 1950 the board has fewer employees engaged in distributing films, but with the excellent help of local film councils throughout Canada distribution has increased greatly. Even in foreign countries, where the national film board had offices which have been discontinued, distribution has gone up 15·9 per cent. We were told that revenues were gradually increasing since 1950 from the different activities of the board such as commercial 35 millimetre film, 16 millimetre film and also television. In 1950, when the present director took over, there were about twenty treasury officers in the board, whereas now there are only eight. The film board is looking after its own account, and evidently these treasury officers are doing a good job.

The board also has a better system of planning its work. Films are taken at the proper time, and arrangements are made ahead of time instead of running out on a job and finding it was the wrong time to take the film. The cost of showing film has been cut in half since 1947, from 7·4 per cent to about 4 per cent. The Matthew report said that the film board should continue to have films produced by private commercial companies. I hope the film board will continue to do that. The minority report attached to the Matthew report said that at least 50 per cent of the work should be done by private companies. This recommendation has not been followed out. Private companies should at least have an opportunity of competing with the national film board. Tenders should be called so that private industry would have a chance to compete. I think you would get cheaper films and better films, not just because they would be made by private companies but because these companies would be competing with each other. Every motion picture company has different methods. This would give the national film board a chance to see how these people do the work. It would also help the commercial corporations.

I was sorry that a letter covering the policy declaration adopted at the annual meeting of the Canadian Chamber of Commerce which was held in Quebec city on October 30, 1951, was not placed before the committee, as this matter was not before the committee until our last meeting. But in that letter it is stated:

> The Canadian chamber of commerce generally endorses the minority report of the national film board of the royal commission on national development in the arts, letters and sciences, in which it is recommended that two or three members should be appointed to the board of the national film board as moderators, with the duty of examining objectively all plans of the board. The national film board should not extend its operations. The film act should be amended so that it is no longer necessary for departments of the federal government to secure their films through the national film board.

I am sorry there was no chance for this matter to be discussed in the committee.

There are just a couple of questions I should like to ask. One is this. What are the arrangements with regard to the showing of 16 mm. films in tourist hotels throughout the country? These films are shown for the entertainment of guests. I should like to

know whether the hotel pays the full cost of travel and time of the operator and rent of the films, as some of the films have to be rented.

Mr. Coldwell: I do not know whether the minister is going to answer questions now or whether he prefers to have the general discussion and then answer the questions.

Mr. Winters: Let us have the general discussion.

Mr. Coldwell: I presume he wants general discussion first. I shall be brief. As a matter of fact I regret that I was unable to attend but a few of the meetings of the committee. I was one of those who were greatly interested in the setting up of this committee; and it is with regret that I am compelled to say that I was unable to be present at many of the meetings. From what I saw and learned, however, I think the national film board is continuing to render fine service to our country. I hope those services will be continued to the fullest possible extent.

I have been particularly interested in what one might call the creative work of employees of the national film board. We have seen some remarkable creative work in the animated pictures that are being shown, and in some of the interpretations of the social and economic progress that has been made in our country. I should like to see more of that kind of thing done. I should like to see not only documentary films but others; I should like to see the film board pay increasing attention to the interpretation of these social and economic developments in our country that are particularly Canadian. For example, a few years ago a fine film was done on the fishermen's co-operatives, the fisheries, and so on of the maritime coast. I think that is the kind of thing that, to some extent, the film board can do better than any other organization. My observation has been that the board employs a number of young people who are more or less devoting themselves to the work of the national film board, not altogether because of attractive conditions because in some instances, as we learned when we were on the committee, there are young men and women there who are doing remarkable jobs at some sacrifice financially. I am thinking of one young man who came across from Britain and who synchronizes words, music and pictures at a considerable financial sacrifice. I think these people should be encouraged to do the kind of job that was done in connection with the films on the coastal fisheries and the co-operatives.

Mr. Winters: "The Rising Tide".

Mr. Coldwell: Yes. In this country we have wonderful material. I was greatly interested in a film for restricted distribution, dealing with the treatment of mental disease in one of our hospitals. According to Dr. Menninger, for example, the well-known psychiatrist in the United States, in some respects Canada leads in the treatment of mental disease; and particularly, he says, the province of Saskatchewan. The minister smiles, but I am saying this quite seriously. I am not trying to take a rise out of any other province when I say that. That is fact, however. Where we have penal reform —and again I am referring to my own province—or an outstanding treatment of disease, whether it be tuberculosis, cancer or anything else, these things are worth recording, in my opinion. I am not taking any credit for the present government of Saskatchewan for the treatment of tuberculosis, that was started years ago by another administration of a different type, namely a former Liberal administration in the province. But where these things are done I think they are worth recording, not from the point of view of a province but from the point of view of interpreting to other parts of the world what Canada is doing and can do.

I should like to say this. I am glad the report contains a recommendation that suitable quarters should be provided. I do not know how the employees of the national film board work as efficiently as they do—and they work efficiently—under the conditions that exist on Sussex street. In order to safeguard our valuable films I think we should have places where they can be stored with safety, free from any danger of explosion or fire.

I do not want to prolong the discussion. I am glad indeed that the committee was set up. I think it was beneficial to the national film board to have the opportunity of telling before a parliamentary committee what is a good story, and of getting that story across to the country to some extent at least. I hope the work of the film board will be continued and expanded. I hope that nothing will be placed in the way of encouraging the national film board to do for our country the best possible job in this field.

Mr. Winters: In reply to the hon. member for Peterborough West, may I say that the motion pictures shown in summer camps and tourist hotels are on a loan basis from the national film board, and normally they are shown through projectors that are owned by the people who show the pictures. Resort owners also provide the projectionists in almost all cases. I also might say that in 1951 the tourist film audience in Canada

totalled 769,000, which was up 20 per cent from the previous year.

I thank the hon. member for Peterborough West and the hon. member for Rosetown-Biggar for what they have said about the film board and in particular about the proceedings of the committee, which I had the privilege of attending and which I thought was an especially good one.

Mr. Fulton: May I ask the minister whether he can give us any information on a subject which I am sure is of interest to all the people of Canada—and which was referred to in the press about a month ago, I think,—concerning a documentary film depicting the part played by Canadian forces in the 1914-18 war? I confess immediately that I am not familiar with the details, only having read them in the press. My recollection of the statement made there was that this was a film compiled by the old government film bureau, as I believe it was called, made up of extracts from the best of the documentary films of many countries during that war, and that it was made available to branches of the Legion or any others who might be interested. We have been given to understand by press stories that practically every existing copy of the film had been worn out, that there was only one left, and that it was in bad shape. It was indicated that it had been found in the archives or the library of the film board. As I recall it, the question was asked whether an effort was to be made to rescreen that film and to preserve it in order to indicate to this and other countries the tremendous and valuable role played by Canadian forces in the first war. It appears that no other complete record exists.

Mr. Winters: I believe the picture in question is called "Lest We Forget". It is a stirring picture. I have seen it. The film board has done a considerable amount of work in rehabilitating the sound track, and it is going to be retained as an archival picture and can be reproduced by the film board.

Mr. Fulton: Will it be?

Mr. Winters: Yes, it will be.

Mr. Fraser: In 16-millimetre size?

Mr. Winters: It can be reproduced in 16-millimetre size. There is no immediate request for it at the moment, but it can be produced in that size.

Items agreed to.

DEPARTMENT OF AGRICULTURE

47. Land protection, reclamation and development in British Columbia under such terms and conditions as may be approved by the governor in council, $184,996.

Mr. Gardiner: Mr. Chairman, before the discussion continues, may I say I was asked the other evening to put on the record the facts with regard to prairie farm assistance, namely the amount contributed annually in each of the three provinces and the amount subscribed. That information is as follows:

PAYMENTS UNDER P.F.A. FROM 1939 TO MAY 23, 1952

Program	Manitoba	Saskatchewan	Alberta	British Columbia	Totals
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
1939	905,416 54	7,574,890 68	1,429,708 31	.....	9,910,015 53
1940	615,109 23	5,603,266 80	504,179 29	.....	6,722,555 32
1941	36,513 28	12,010,772 42	3,466,120 05	.....	15,513,405 75
1943	16,685 25	5,037,472 87	2,425,057 59	.....	7,479,215 71
1944	163,501 97	2,980,282 68	2,833,762 91	.....	5,977,547 56
1945	30,148 50	12,541,768 16	4,395,734 38	.....	16,967,651 04
1946	6,163 50	9,204,820 72	1,620,922 17	.....	10,831,906 39
1947	490,410 75	13,368,005 75	3,375,088 60	.....	17,233,505 10
1948	63,439 00	11,531,228 00	2,542,440 00	.....	14,137,107 00
1949	332,454 00	15,373,262 00	6,336,359 00	.....	22,042,075 00
1950	346,745 00	5,607,138 00	4,210,835 00	203,409 00	10,368,127 00
1951 (May 23/52)	170,513 25	1,194,445 25	621,764 50	1,400 00	1,988,123 00
	3,177,100 27	102,027,353 33	33,761,971 80	204,809 00	139,171,234 40

SUMMARY 1% LEVY COLLECTED 1939 TO JULY 31, 1951

Crop Year	Manitoba	Saskatchewan	Alberta	Unallocated	Total
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
1939-40	333,453 13	1,344,208 23	743,121 61	724 40	2,421,507 37
1940-41	354,813 76	1,360,540 00	866,831 79	502 32	2,582,687 87
1941-42	339,969 87	711,869 33	407,642 45	272 05	1,459,753 70
1942-43	481,974 50	1,536,146 00	710,632 53	322 51	2,729,075 54
1943-44	779,490 76	2,743,544 09	1,191,300 92	371 01	4,714,706 78
1944-45	754,366 36	3,218,572 23	1,412,417 31	230 71	5,385,586 61
1945-46	575,408 69	1,977,735 42	873,082 60	131 69	3,426,358 40
1946-47	845,631 86	2,703,357 17	1,644,706 41	112 20	5,193,807 64
1947-48	764,744 37	2,727,187 90	1,624,237 42	148 51	5,116,318 20
1948-49	1,120,741 27	3,417,480 86	2,084,088 52	6,185 87	6,628,496 52
1949-50	1,355,660 07	4,525,628 79	2,515,568 28	197 64	8,397,054 78
1950-51	1,442,138 08	3,890,444 68	2,001,322 58	153 72	7,334,059 06
	9,148,392 72	30,156,714 70	16,074,952 42	9,352 63	55,389,412 47

To December 31, 1951.....$58,455,485 95.

Mr. Fulton: I should like to ask a question concerning a project in British Columbia. The prairie farm rehabilitation administration has been asked to make a survey and recommendation regarding what is known as the fruitlands area adjacent to North Kamloops in British Columbia, which is in my own constituency. This area was developed previously by a private company, and that part of it which is not incorporated as a village has been taken over by the irrigation jurisdiction within the last three or four years.

They are faced with a difficult problem. The irrigation system requires a good deal of expenditure for purposes of rehabilitation, to put the area into shape in which the land could be serviced. These are extremely valuable agricultural lands, but at the moment the revenues available from them, particularly after the disastrous winter we had in 1948-49, which killed so many of the fruit trees, are not sufficient in any degree to meet either capital costs or the interest which would be required to meet payments on borrowed sums.

The prairie farm rehabilitation administration has been asked to conduct a survey and make a recommendation as to the best way of going about bringing the system up to date to serve the land as required. What is the present position of that survey?

Mr. Gardiner: There has been a preliminary engineering survey, and a report has been made to the British Columbia government. An economic survey of the area has been started, and when it is completed the report will be made in due course.

Mr. Fulton: Is the minister in a position to say whether any recommendations have been made, and if so what they are?

Mr. Gardiner: No, it has not yet reached the stage of recommendations. The economic survey is being carried on now.

Mr. Fulton: Is the minister awaiting a reply from the British Columbia government? Is action by some other party necessary, or is it just a matter of continuing the survey by this department?

Mr. Gardiner: I presume the hon. member has in mind the trees killed by frost. I think the final report made on that was that if payment were to be made it was considered to be a provincial responsibility. But there is no other report ready on the economic side of the matter.

Mr. Fulton: I appreciate the minister's answer, but I do not think it meets the point I had in mind. He said an initial report had been made to the British Columbia government, and that at this time an economic survey was going forward. Is it necessary to

receive some proposal from the British Columbia government before anything further is done? In other words is the minister awaiting some further approach, or is it just a matter of waiting until the economic survey has been made?

Mr. Gardiner: Just a matter of waiting until the economic survey is completed. There is no understanding or misunderstanding as yet between the provincial government and this government.

Item agreed to.

48. Land protection and reclamation; clearing and settlement of new lands under such terms and conditions as may be approved by the governor in council, $250,000.

Mr. Quelch: To what area does this refer?

Mr. Gardiner: To all Canada, really; but most of the work has been done in New Brunswick and Manitoba.

Mr. Coldwell: Does that include the Carrot river valley?

Mr. Gardiner: Nothing is being spent out of this vote in the Carrot river valley. But it is under a vote of this kind that something might be done, if it were done.

Mr. Coldwell: Is something being done there in the way of P.F.R.A. survey?

Mr. Gardiner: There were P.F.R.A. surveys made, but they were made under the P.F.R.A. vote.

Mr. Coldwell: Not under this vote?

Mr. Gardiner: No.

Item agreed to.

49. Maritime Marshland Rehabilitation Act, $1,655,520.

Mr. Gillis: I notice an increase of $446,720. What progress is being made in the rehabilitation of the marshlands of the maritimes, and how extensive are they? When does the minister think the project might be completed?

Mr. Gardiner: First class progress is being made. The reason for the increased vote is that the engineering is done, and we can get the work completed now. It is possible to have it completed, and therefore we have asked for more money.

Mr. Weir: I have had the opportunity of seeing some of the development under way in the maritime provinces, and I think it is a very commendable piece of work. The crops that are growing on the area, with a little drainage protection, were splendid crops, of both oats and hay. I commend this type of work, and commend the efforts of the minister.

[Mr. Fulton.]

Mr. Nowlan: The minister said the increase was for engineering services—

Mr. Gardiner: No, the increase is for construction. The engineering was done last year.

Mr. Nowlan: Would the minister give a break-down of what works will be constructed this year? Would he also comment on the suggestion made on the work being done up and down the Annapolis river? As he knows, repairs have been going on for a distance of about 25 or 30 miles on both sides of the river. A suggestion has been made that a dam should be built across the river at Annapolis, or at some other point, to cut out the necessity for these long dikelands. Has any survey been made?

Mr. Gardiner: Yes. I understand the project and have been over it personally. As a matter of fact I think it deserves considerable attention because the possibilities of building a dam could be beyond anything one could anticipate without seeing it completed. We have been hopeful that in due course we can get around to doing it that way. I must say that the engineering is not completed to the point where I can give any further report. This is something we are interested in and we hope it can be brought through to completion. I have a list of the other projects which are under way and perhaps it could be placed on *Hansard.*

The Deputy Chairman: Is the committee agreeable?

Some hon. Members: Agreed.

Mr. Gardiner: The statement follows:

Primary 11	$1,000,000.00

Special Surveys and Investigations

Annapolis river survey	12,969.96
Unalloted under special surveys and investigations	17,030.04
N.S. 2, Windsor Forks marsh	66,000.00
N.S. 3, Falmouth great dike marsh	20,000.00
N.S. 4, Queen Anne marsh	16,000.00
N.S. 11, Truro dikeland park marsh	18,000.00
N.S. 16, Castle Frederick marsh	14,000.00
N.S. 18, Fox creek marsh	26,000.00
N.S. 20, Advocate marsh	90,000.00
N.S. 21, Upper Nappan marsh	20,000.00
N.S. 23, Masstown marsh	30,000.00
N.S. 27, Newport town marsh	5,000.00
N.S. 38, St. Croix marsh	11,500.00
N.S. 40, Fort Belcher marsh	16,500.00
N.S. 43, Annapolis Royal town marsh	17,000.00
N.S. 44, Converse marsh	50,000.00
N.S. 46, River Hebert marsh	45,000.00
N.S. 47, Selmah marsh	13,000.00
N.S. 49, Scotch village marsh	13,000.00
N.S. 65, Bishop Beckwith marsh	15,000.00
N.B. 5, Westcock marsh	13,000.00
N.B. 7, Hopewell Hill marsh	45,000.00
N.B. 13, Dorchester marsh	100,000.00
N.B. 18, Fox creek marsh	26,000.00
N.B. 21, Memramcook west marsh	25,000.00
N.B. 24, Aulac marsh	60,000.00

Special Surveys and Investigations—Con.	
N.B. 27, College bridge marsh	48,000.00
N.B. 28, Upper Coverdale marsh	9,000.00
N.B. 30, Calkins marsh	16,000.00
N.B. 33, West Coverdale marsh	42,000.00
N.B. 37, Sackville marsh	25,000.00
N.B. 41, Turtle creek marsh	5,000.00
N.B. 42, Jones marsh	14,000.00
N.B. 43, Creek's marsh	11,000.00
N.B. 45, Chartersville marsh	43,000.00
N.B. 46, Wilson marsh	24,000.00
	$1,022,000.00

Mr. Nowlan: There is definite engineering work in progress with respect to the dam, is there not?

Mr. Gardiner: There is definite work being done.

Mr. Nowlan: Has the minister any idea when that will be completed so he will be able to arrive at a decision?

Mr. Gardiner: It cannot be completed this year; it will run into next year.

Mr. McLure: What work is being done in Prince Edward Island in connection with this vote?

Mr. Gardiner: The work on the Johnston river was completed at a total expenditure of $19,325.66.

Mr. McLure: Anything further this year?

Mr. Gardiner: The province still has the drainage to do and will be making any further expenditures that are made. Our expenditures are completed.

Item agreed to.

50. Assiniboine river—diking and cut-off, $50,000.

Mr. Weir: This work is being done in an effort to control the flooding of the Assiniboine river. Incidentally this is linked with the observations made by the hon. member for Greenwood in connection with flood protection work in the city of Winnipeg. The Assiniboine river drains a very large area. I am not going to try to put all the details on record at the present time, but such rivers as the White Sand river, the Shell river, the Qu'Appelle river rising away in Saskatchewan, the Birdtail river, the Minnedosa river and the Souris river all flow into the Assiniboine. Those waters are all concentrated at Winnipeg where they join the Red river.

Heretofore this river has been considered a navigable stream and for that reason under the jurisdiction of the federal government. What is being attempted here is to prevent it getting out of bounds and flooding the country. I am keeping in mind what the hon. member for Greenwood said a couple of weeks ago. If this river should break out of its south bank with extensive flooding and meet the La Salle, and then go down through the Brunkild country to meet the Red above Winnipeg; if it got out of control it would aggravate extensively the flood condition that might apply to the city of Winnipeg. That is why we are so anxious and interested in having some measure of control on this river.

We are waiting at the present time for the survey that was instituted by the international joint commission having in mind the possibility of diverting this river across to the lake. I do not know whether that is feasible, but I would like to ask the minister whether any surveys have been made on the other rivers, some of which I have mentioned, which are further upstream from the Assiniboine. Have some control works or dams been built there which would relieve to some extent the flood hazards in the narrow channel where this river flows through the flat country toward Winnipeg?

This particular vote is earmarked for diking and cut-off. This cut-off is an innovation and some people have a question mark in their minds about it. This river is quite crooked and in order to overcome some of the hazards of flooding, particularly to stop the jamming of ice, attempts have been made to cut off the bends and thereby enable the water to run away a little more freely. It has worked quite well in most cases.

The project which was undertaken last year in co-operation with the municipality of Portage la Prairie proved most useful and has worked exceptionally well. I might go even farther and say that the acquiring of the necessary land was undertaken by the municipality, and I think the whole thing will work out quite well. Unfortunately the proposals for this year so far have not been so encouraging. The $50,000 in this vote has been considered by the municipalities concerned, and I think they are going to use most of it for diking purposes. They still have other worthy projects in mind that would help to alleviate this situation; and I hope when the minister gets his program more under way he will see his way clear to give further assistance in this regard.

Mr. Bryce: I am glad to join with the hon. member for Portage-Neepawa in what he has said about this river because after it leaves his constituency it runs into mine. I think the hon. member is to be congratulated upon the work he has done in this connection. He was able to get the engineers and the different municipalities together, along with myself. Now that the minister has been good enough to provide for this

advance I think they are all of one mind as to what they are going to do. Previous to that I do not think anyone really knew where he was going. Now with the P.F.R.A. the whole thing is under the one engineer and things are going much better.

But I think we should proceed cautiously because the first thing we know we will have Winnipeg on our necks for allowing the water to move down too quickly. I do not think the hon. member has sufficiently stressed the seriousness of the situation. If this river should break its banks and run into the La Salle we will have one of the worst conditions we have ever had.

I have represented this constituency for only three or four years and cannot speak with the experience of a man raised in the district. But I know how serious the situation could be, and I thank the minister for setting aside $50,000 for this work, whether it is spent on diking or cut-offs according to what the engineers decide is proper. When money gets a little more plentiful in the future I hope the government will be able to provide a bigger vote.

Mr. Weir: We will wait for the report.

Item agreed to.

51. To provide for administrative expenses, Agricultural Prices Support Act, 1944, $92,700.

Mr. Charlton: I am not going to take much time, but I should like to ask the minister what products are now being held by the floor prices administration board, the quantities of each, and the total amount of money that has been spent by the board to date.

Mr. Gardiner: We have about 15 million pounds of 1952 butter, the value of the 1952 butter paid for being $5,774,391.79. We have paid for canned pork amounting to $21,238,277.58, Wiltshire sides amounting to $5,192,386.22, and beef amounting to $9,526,750.83. That is a total of $41,731,806.42.

Mr. Charlton: That is the total amount of money spent on the products the minister has mentioned?

Mr. Gardiner: That is the investment in the stocks now.

Mr. Charlton: To date?

Mr. Gardiner: At this time.

Mr. Charlton: What is the total amount of money that has been spent up to now?

Mr. Gardiner: I think I reported this to the house on a previous occasion this session. The net cost of the operations of the board from the beginning has been a little over $10 million. That does not involve any net cost in connection with these products about which I have just been speaking. They may involve something more.

Mr. Charlton: The minister gave us the number of pounds of butter but not the number of pounds of pork, Wiltshire sides or beef. He just gave us the value.

Mr. Gardiner: There are 37 million pounds of canned pork, 15 million pounds of Wiltshire sides, and 33,900,000 pounds of beef that have been bought, but some of it has been shipped. About 20 million pounds have been shipped.

Mr. Charlton: I believe the minister mentioned on his estimates the other night that the price of the canned pork was 63 cents and that it has now come down to 62·8. I wonder how the minister arrived at that figure?

Mr. Gardiner: It was 63·8 at first and now it is down to 61·8.

Mr. Charlton: It started at 63·8, came down to 62·8 and now it is 61·8. How does the minister arrive at these figures, with pork being purchased at $25 a hundred dressed weight?

Mr. Gardiner: The original figure was 63·8 but the cost at which it is going in now is 61·8, or 2 cents lower.

Mr. Charlton: The minister has not answered the question yet. With pork selling at $25 a hundred dressed weight how is the figure of 61·8 a pound in the can arrived at?

Mr. Gardiner: I understand that the lower cost is due to the fact that there is a larger volume passing through. It is the increased volume which makes possible a decrease of 2 cents in the cost when it goes into the can. There is no difference in the price of the pork. Twenty-six cents has been the floor price all the way through, and it has actually been coming in at 26 cents. I do not think there is any other market in which you can get more than that price, and we are getting it at that price.

Mr. Charlton: The minister has not answered the question yet. What I asked the minister was how the price of 61·8 cents was arrived at in view of the fact that pork is being purchased at 26 cents a pound dressed weight.

Mr. Gardiner: I have already put that on the record three times this session, but I will put it on again. The pork is 26 cents a pound to start with. When you trim off the fat and take out the bone it doubles the price, or did at the beginning, to 52 cents. Half the pork you buy at 26 cents is bone and fat, and by the time you trim that off and get it down to what you are going to put in the can you are only putting in half of the weight of the hog.

Therefore if you pay 26 cents for the hog it costs you 52 cents for the pork you put in the can. At the beginning it cost approximately 12 cents a pound to put it into tins and that made it 64 cents, or 63·8 cents.

Mr. Charlton: I do not think there are very many butchers who will believe—

Mr. Gardiner: Believe it or not, it is true.

Mr. Charlton: —that half a dressed hog is bone and fat unless they are heavy hogs. Select hogs will not dress out that way. I can say that advisedly.

Mr. Gardiner: That is the fact, anyway.

Mr. Charlton: Not on grade A or B-1 hogs.

Mr. Gardiner: My friend seems to be an expert on everything. When did he start butchering? As a matter of fact that is what the packing plants tell us. Those are the facts and that is all I can give him. I am not going to change their figures even to satisfy him.

Mr. Darroch: I want to say I am very pleased that this item provides for the continuation of operations under the Agricultural Prices Support Act. So far as agriculture is concerned, I think it has probably been the most beneficial legislation that has ever been passed by the parliament of Canada. The application of the act on different occasions and to different branches of agriculture has done two things. First, it has cushioned the loss. We know perfectly well that at no time were support prices established under which there would be a profit to the producer, but I think probably the majority of producers realized why it was so done. As I say, it did cushion the loss. In other words the producer of the commodity was assured that he was not going to lose his shirt.

In my riding we produce mostly cream, hogs and beef. The farmers are not particularly producers of specialized crops. I think we have what are the best farmers in the country, the fellows who go along and produce a little of everything. They have received a great deal of benefit from the application of the act. For instance, let me start with cream, or butter, which is almost the same thing because cream becomes butter. Last year when the cream producers asked for a support price of 63 cents a pound for butter under this act the minister in his wisdom suggested that perhaps it would be better if they would take 58 cents a pound for two years. The wisdom of this counsel has been quite evident, and I am quite sure that had the price not been established last year the price of cream would be down at least ten cents. It has done something else as far as the butter industry is concerned. It has meant that there was a market for some of the surplus milk that we had on hand as a result of the embargo caused by foot-and-mouth disease. As I say, this branch of the industry has been benefited.

Then we go on to the hog branch of the industry. I was rather interested a moment ago to hear the exchange between the minister and the hon. member for Brant-Wentworth. I think the hon. member is forgetting that when you can pork you do not can the bones, just the meat. A dressed hog contains the head and bones and the rest of the carcass but only the meat goes into the cans, not the bones. I think that would explain the suggestion of the right hon. minister that 50 per cent of the weight of the carcass goes into canned meat with the result that not 26 cents but 52 cents is the cost of the meat for canning.

This support price for hogs came at a time when we had an unusually large hog population in the country. Whether that was again caused by the difficulties incurred through foot-and-mouth disease I do not know; but I am quite sure that the 26-cent price offered or established by the department prior to the embargo was not set up to show a profit to the feeder, but it meant that he would be at least getting his costs back. With the advent or whatever you like to call it of the foot-and-mouth disease this 26-cent price was very welcome to the hog producer, I am sure. It maintained the confidence of the trade. I noticed in my own community that young pigs which were then going begging for $4 or $5 are now selling for $10 and $11, thereby establishing the fact that farmers feel they can go ahead and stay in the hog business with reasonable assurance that they will have a market.

Then we come to the beef situation. I know that cattle feeders lost money this winter. The fact of the matter is that the prices at which they bought their feeder cattle last fall were perhaps a little over-optimistic. Even at that time I could not see anything in the foreseeable future to indicate that they were going to make money on cattle that they had put in the stable at 33 to 35 cents a pound. Before the difficulties with foot-and-mouth disease the cattle market was beginning to decline; and I guess something happened last January which perhaps has not happened within the lifetime of most of us here. For a week or two, probably not over a week, prices for cattle in Canada were higher than in the United States and, as a result, for the first time in a long while cattle were shipped from the Chicago market to Canada. In fact I

think the first six loads of cattle shipped from Chicago came to the city of Ottawa.

So I say even before we had foot-and-mouth disease there was difficulty on the horizon for the cattle feeders. I attended several meetings and we had various suggestions as to what the support price for beef cattle should be. In most cases the farmers with whom I talked agreed that they were going to take a loss on their cattle. Most of the reasonable ones agreed that as citizens of the country and belonging to one industry in the country, they should expect to absorb some of the loss the nation was suffering as the result of the foot-and-mouth disease. I think that was one of the reasons the Canadian Federation of Agriculture suggested the price of 25 cents a pound for cattle. I was on the platform not so long ago with one of the field men for the federation of agriculture, and he complimented the government for giving the price they asked for beef, 25 cents a pound.

I know there has been some discussion as to how this was arrived at and why there was a price of 25 cents. My understanding, of course, was that the 25 cents per pound was arrived at by suggesting a price of 47 cents a pound on a 53 per cent dressed carcass which gives you something like $24.91, and with the credit that comes from dressing the animal it makes it approximately 25 cents per pound. For an animal that is dressed progressively higher the figure would be also higher, figured back to the live weight.

As a result of this it was decided that what we call good cattle would sell in Toronto for approximately 27½ cents a pound. I know there was some delay in getting the arrangements completed by the department with the packers and there were some people who during that period shipped their cattle and took a loss greater than they would have taken if they had waited for two weeks.

I happened to be on the Toronto market on Monday, May 12 or 13—May 12 I think it was—when the first cattle were sold at 27½ cents. Those cattle were fairly heavy steers that dressed probably 58 per cent; but the point is that within 15 minutes after that one load of cattle was sold for that price, I saw a load of butcher cattle sold for 26 cents which would have had an awful time bringing 24½ cents the week before.

Mr. Low: What would the butchers dress up to?

Mr. Darroch: They were lighter. They would dress at less than 700 pounds. The original stipulation was that they were just to take carcasses 700 pounds and over. The butcher cattle would probably dress up to 52 or 53 per cent. They were decent cattle, just underweight—what they call heavy cattle; cattle around 900 to 950 pounds live weight.

That is something, sir, that has always puzzled me with respect to the price of livestock. Every time there is a suggestion that prices are going to be lowered they drop very quickly. Of course I know people are prone to become just a little bit panicky, and probably they think things are going to go down so they shoot out a few more than they ordinarily would. That is another feature that is not good for this type of market. It does seem to me peculiar, however, that once the government or the department steps in and establishes a floor price or offers to buy at a support price, then invariably the price starts to go up and they hardly ever have to buy. I have some ideas why that happens but I do not think I should state them here; and I think men who have been in the livestock business have an idea too.

As a result of all this, from the 12th of May good cattle have never sold for less than 25 cents a pound. In fact the price has been as high as 29 cents per pound. This week they are back up a little; but I say the introduction of support provided for under this item has been of untold benefit to the agricultural industry, at least in the province of Ontario; and I would think if it is good for Ontario it is good for the rest of the country.

I believe, sir, the minister and his department have not always been free from criticism, on the one hand by the producers who feel they have not been getting enough, and on the other by the consumers who feel that the prices are too high and that by establishing the support price the government is arbitrarily setting a price whereby the cost of living is going to be sustained.

I was interested in picking up a paper in Toronto on the day I referred to, May 12. It was the Toronto *Globe and Mail*, which to all outward appearances at least is the official organ of the Conservative party in our province. Under the heading "Selling beef at a loss"—and I am not going to take time to read it all—there are one or two paragraphs which are rather pertinent, I think. Under this heading, and after taking a few biffs and bangs telling how much this is costing the country, it goes on to say this:

> But the sole reason for the subsidy is that Canada's official floor price of twenty-five cents a pound makes our price the highest in the world.

They take in a lot of territory.

> The subsidy enables agriculture minister Gardiner to maintain this high-price plateau in the domestic

market and at the same time get off the hook for having caused unused surpluses of beef to accumulate here. From his point of view it seems to be quite beside the point that the so-called surplus is an artificial one. It was caused by the arbitrary high price level which he has imposed on Canadian consumers.

Canadian producers thus continue to get a price slightly higher than that in the United States, and avoid the rational course of permitting beef to find an economic level in terms of both world and domestic markets. In these circumstances there is neither economic sense nor justice to Canadians in this new excuse for a subsidy to be paid out of taxation.

It is rather interesting to read this article, just to see how far from the facts it really is. To prove it is wrong, I read the first statement:

But the sole reason for the subsidy is that Canada's official floor price of twenty-five cents a pound makes our price the highest in the world.

There are two editions of the *Globe and Mail* each day, so on Monday night I bought another copy of the *Globe and Mail* and on the market page of that publication dated May 13 I find this market report, "Steers go higher as floor prices adjusted here." It reads:

Steer prices jumped $1 to $2 here yesterday following the Ontario stockyards cattle price adjustment to the Department of Agriculture's floor price program. The market was strong to $1 higher on cows and bulls. The estimated hold-over is 2,000 cattle.

Choice steers sold from $26-$27.50, with good steers at $25-$26 and medium steers at $23-$24.50.

In the morning this paper had said our prices were the highest in the world, and that was the price at which steers were being sold on the market on May 12. On the same page but lower down the newspaper quoted the Chicago livestock market report. On the Chicago market on May 12 the price of prime steers was $35-$37.50 and choice steers $34-$34.75. Those who are engaged in the cattle business would agree that choice steers here would be sold as good steers on the Chicago market, which would mean that they would be sold at $34-$34.75 as compared with $26-$27.50 on the Toronto market.

I am suggesting that the minister and his department have done a good job. I think the wisdom of the application of this price support program is self-evident. The best proof of that, I suggest, would be an article I read not long ago in one of the farm journals which compared prices in the United States and Canada. In the United States with its high support prices and large surpluses as a result of those high prices, their costs were immeasurably higher than ours. In spite of all this, in 1951 the Canadian farmer received a little better than 12 per cent of our national income, while our cousins in the United States were receiving a little over 6 per cent.

Mr. Bryce: Can the minister tell us which item provides for any loss that may take place as a result of the exchange of meat between the United States, New Zealand, Great Britain and Canada. Is that under the support act, or is it under some other act?

Mr. Gardiner: It is not in any of these estimates yet. It will come in next year's supplementaries.

Mr. Bryce: Does it come under this support act?

Mr. Gardiner: It will come under the prices support act.

Mr. MacKenzie: Before the item passes, I should like to make inquiries about eggs. Has the department purchased any eggs, and if so has there been any loss?

Mr. Gardiner: We have not been required to buy any eggs in the two and a half or almost two and three-quarter years past. This year we did find it necessary to buy some eggs in the Saskatchewan area, the reason being that there was no cold storage for the eggs in that area. Eggs had to be sent from there to either Winnipeg or Calgary. The government did purchase some eggs in Saskatchewan at 30 cents, starting in May and continuing down to the present time.

Mr. MacKenzie: There has been no loss?

Mr. Gardiner: There is no loss. A few of them have been sold, but not at a loss. We are not in a position to say there will not be any loss, but there has been none to date.

Mr. Hosking: I realize the minister himself deserves a great deal of credit for the arrangement he made for disposing of our beef. I am certain that many members of our agricultural communities pay him the tribute he deserves. I would imagine, however, that some of the staff who were closely connected with these negotiations had an important part to play in the exchange which sent our beef to Britain when it was shut out of the United States market. This eliminated a glut on our own market. I think this is the proper time to pay tribute to the members of the staff who took part in the negotiating of that agreement.

Having said that, I should like to suggest to the minister that he keep an eye on the facts that the debate in this house must have called to his attention in the past few days, showing that rural areas in this country are rapidly becoming depopulated. This could have far-reaching effects on the economy of this country. My riding is made up of two

sections, rural and urban. I should like to call to the minister's attention the fact that the good work he has done in applying support prices to agricultural commodities has enabled farmers and those who are interested in producing food for people to buy to feel that they have made a good investment and that they should continue to make an investment in agriculture. This policy assures the farmers that a temporary situation which may arise, such as the foot-and-mouth disease or anything else, which disturbs the economy of agriculture, will not break them.

By doing this you not only give stability to the agricultural industry; you give stability to the market. I am referring to the market in which urban people buy. If we have no floor price under an agricultural product, then because of that lack of floor price the return to the farmer drops so low that it is no longer profitable for a farmer to produce that commodity, then it is obvious that as time progresses there will be a shortage of that commodity. When that shortage occurs we have these very high prices to which the urban people object.

Referring back to the situation which has been brought to the minister's attention so clearly by the debates in this house within the last week, I would say it is most important that he not allow the rural areas to become depopulated, thus causing our agricultural production to drop off. If that happened the people who live in the cities would have to pay exorbitant prices for food in the years to come. I think the members of the department who have done so well in disposing of the surplus beef should look with pleasure on their performance, but should keep in mind the fact that they must give stability to the members of the agricultural community in this country if the urban people are going to have goods to buy at reasonable prices. I would commend the minister for his efforts in the past.

Mr. Gardiner: I should like to correct the statement I made a moment ago that there were no losses on eggs. There was a loss of $1,866.24 a year ago.

Mr. White (Middlesex East): I wanted to ask the minister what other farm products, if any, are being supported by the Agricultural Prices Support Act at the moment?

Mr. Gardiner: Butter, eggs, pork and beef. I gave the figures a little while ago. I put them on *Hansard*.

Mr. White (Middlesex East): Yes.

The Deputy Chairman: Shall the item carry?

[Mr. Hosking.]

Mr. Charlton: No. It is rather unfortunate that the minister is getting a little bit touchy these days. The statement I made a few moments ago was that I doubted whether a dressed grade A or grade B-1 hog having the bone and fat removed would take 50 per cent of that carcass. I still say that. I am glad to hear that both the members for Wellington are so well satisfied with conditions as they exist today. After hearing the hon. member for Wellington North, I make the suggestion that with the head, hocks and fat cut off and the bone taken out, it probably would be 50 per cent. What do you do? Do you give that head and the hocks to the packer? I mean, do they get that for nothing? It is understandable, of course, if they do not count the weight of the head and do not count the weight of the hocks. But the head and the hocks are valuable products.

Mr. Gardiner: They are sold, and that is all figured in: the dressing percentage, the cost of preparation and all credits. The credits, of course, take in the payment we get for the head that goes into head cheese and for the feet that go into feet, hocks and so on. But the actual position is that the canned pork amounts to from 78 to 82 pounds. There is a little bit of variation, but it is about half. The average hog will dress out at 155 pounds. Some will dress a little bit more than that and some a little bit less in the top grade. But the canned pork coming out of that average of 155 pounds runs from 78 to 82 pounds. The amount that goes into Wiltshires is 120 pounds and the amonut that goes into cuts would be 90. But the canned pork is what we are talking about and that is 78 to 82 pounds out of 155 pounds, which is not very far from half of it. It will depend somewhat on the amount that is trimmed off with the head, with the feet, the amount trimmed off with the fat and the amount taken out in bone.

Mr. Charlton: That is the amount that goes into the can?

Mr. Gardiner: Yes, the amount that goes into the can.

Mr. Charlton: What happens to the money that is collected for the feet and hocks?

Mr. Gardiner: In figuring the cost of the canned pork, the other is credited to the cost.

Mr. Charlton: When the minister made his statement, or when he answered the question I asked him with regard to the value at 26 cents a pound he said you could double that figure to get the price.

Mr. Gardiner: That is approximately correct.

Mr. Charlton: The minister said you could double it?

Mr. Gardiner: Approximately, yes.

Mr. Charlton: Well, according to my mathematics twice 26 is 52.

Mr. Gardiner: Certainly.

Mr. Charlton: All right. The minister said 52 cents could be added right away to that canned pork.

Mr. Gardiner: I still say that.

Mr. Charlton: Then I say what happens to the head cheese made from the head, the jowl, or the piece of bacon—or what they call bacon—off the jowl, the fat that is rendered out of the head and neck, the hocks that are quite valuable—they are hard enough to get, goodness knows—and the pickled pigs' feet? Where does the price of these products come in?

Mr. Gardiner: If we go into the whole detail of it, the costs of preparation, including the cost of the tin, run up to about 15 cents. If you went into the whole thing it would take a lot more accounting than I have given. I simply say this. The amount you get out of a hog that you put into the can is approximately half the weight of the hog; and if the hog costs you 26 cents, then that which goes in costs 52. But the whole accounting is done by taking all you get back by way of credit and charging it up against the cost of preparation and the other costs in connection with the canning of the hogs. That works out at a net difference of 12 cents, roughly speaking. It has got down; when we got greater volume, it got down to 10 cents. It was approximately 12 cents to start with and it has worked down to 10 cents, through the volume, of a difference in the net between the actual return and the actual cost of putting the pork in cans.

Mr. Charlton: I suggest that had the minister made that statement at the beginning, we might have avoided all this argument we have had because he has now admitted that it is not 50 per cent at all.

Mr. Gardiner: I did not make that statement.

Mr. Nowlan: Before the item carries I should like to make one passing comment on the remarks of the hon. member for Wellington North. I am not prepared to discuss with him the intricacies of the packing business but I should like to suggest to him that I hope he is more accurate in his information on that subject than he was upon the political and journalistic set-up in this province. When he stated that the *Globe and Mail* was the official publication of the Conservative party in this province, I presume that if someone suggested that, we will say, the Winnipeg *Free Press* was the official publication of the Liberal party in Manitoba, that statement might sometimes be repudiated by his party and might sometimes be repudiated by that paper. Certainly there is no official publication for the Conservative party in this province. I merely want to keep the record straight.

Mr. Darroch: I stand corrected, Mr. Chairman; but I still maintain that it tries to be.

Mr. White (Middlesex East): Have any commodity groups asked for support for their products in the past year, other than those mentioned?

Mr. Gardiner: Assistance was asked for cranberries and for lambs. Those who produce lambs in Alberta asked for some assistance during the time the foot-and-mouth disease difficulties were being experienced. The cheese people also asked for assistance and later changed over to the plan that is now operating as between the Ontario producers and the provincial government. We have guaranteed their accounts under the Agricultural Products Marketing Act of 1949. But there is no floor price there. That is a guarantee against loss in handling the product the way they are handling it. I understand that poultry producers have asked for it within the last week.

Item agreed to.

52. To provide for a contribution to the federated women's institutes of Canada to help defray the costs of the international conference of the associated country women of the world to be held in Canada in 1953, $10,000.

Mr. Coldwell: This is a small item, but will the minister explain what it is for?

Mr. Gardiner: It is for the federated women's organization. They are having a world convention here next year, and we are putting up this amount to help them in defraying expenses.

Mr. Catherwood: This is one item to which I think all hon. members can give their unqualified approval. If there is any organization, particularly in rural Canada, that is doing fine work it is the federated women's institutes of Canada. I think this item to help defray the costs of their convention is a recognition of the splendid services they have rendered, and I am pleased to see it in the estimates.

Mr. Charlton: I should like to go along with what has been said by the hon. member for Haldimand and to say a word with regard to the founder of the women's institutes namely, Mrs. Adelaide Hoodless. It is quite commonly known across the country that Mrs. Hoodless founded the women's institute at Stoney Creek. One thing that is not quite so commonly known is the fact that she attended the same public school that I attended, namely S.S. No. 6, South Dumfries, but not at the same time. The cairn erected to her memory is within one and one-half miles of my home and also her birthplace. I think the credit should go where it rightly belongs, namely to the county of Brant.

Mr. Darroch: I should like to express my support of this item which provides money for the federated women's institutes. I should be afraid to go home without supporting it, because my better half happens to be a member of the federated board in Ontario.

Mr. Fraser: I am very glad the hon. member for Brant-Wentworth mentioned Adelaide Hoodless. I happen to know her owing to the fact that she is my better half's aunt.

Mr. Abbott: Carried unanimously.

Mr. Fraser: As the hon. member for Brant-Wentworth said, she founded the first institute at Stoney Creek. That first institute was founded behind a blacksmith shop there, and has spread not only throughout Canada but throughout the British empire and other countries.

Item agreed to.

Central experimental farm, including research and co-ordinating divisions for the experimental farms service—

664. Construction or acquisition of buildings, works, land and new equipment—further amount required, $4,000.

Mr. Lennard: What is being done in connection with experimentation with hogs out there? As I pointed out last year, they have had those lop-eared Landrace hogs for about fifteen years. No two of them look alike. They are the greatest conglomeration of hogs I ever saw in my life. I should like to know what progress is being made in the experiments that have been going on out there.

Mr. Gardiner: We dropped the experiments on the Landrace hogs after it had been demonstrated to our satisfaction at least that nothing was to be gained by changing over from the Yorkshire to the other type.

Mr. Lennard: During the last few years have they acquired any large English whites, and are any experiments being conducted?

Mr. Gardiner: Yes, they are being brought in for breeding purposes. They are a larger, heavier type, and are being brought in from time to time.

Mr. Lennard: Has there been any report that in any respect they are superior to the Yorkshire?

Mr. Gardiner: They are really a type of Yorkshire. I had personal experience with the shipment donated to Manitoba in connection with the Winnipeg floods. A number of the large whites were sold at a sale at Brandon. Those who bought the hogs have had good results from crossing them with ours. The idea was to add greater strength to the hog and to remove some of the weaknesses of our hogs that were probably becoming a little inbred, in a sense. This new stock brought in was helpful.

Mr. Lennard: My experience has been that crossing a large English white boar with our ordinary Yorkshire sow brings about a quicker maturity, by several weeks. We have found a great improvement through using the large English white boar.

Mr. Gardiner: Yes, they are stronger and heavier.

Mr. McLure: It would be better if the minister were to recommend Prince Edward Island bacon hogs as the best in the world, as he said at one time.

Mr. Gardiner: They are very good.

Item agreed to.

Production service—
Health of animals—

666. Administration of Animal Contagious Diseases Act, and Meat and Canned Foods Act—further amount required, $130,000.

Mr. Lennard: What if any advance has been made in protecting hogs from rhinitis?

Mr. Gardiner: It is under study in our laboratory here, and also at Lethbridge. No definite result has been obtained to the present time.

Mr. Lennard: There is an article in the *Farmers Magazine* of June which deals with rhinitis. I shall not take the time to read it, but I recommend it. That article sets out what the state of Kansas is doing, and the Canadian authorities might give some study to it, if they have not already done so. As we know, rhinitis is prevalent in Canada, and is something that should be given closer attention than we are giving it. Too many farmers are careless about it. I have seen it in Ontario, and I should like to know what is being done to isolate this disease.

Mr. Gardiner: There is an exchange of information as between what is being done in Kansas and what we are doing. We have the benefit of the experiments they are carrying on, and they have the benefit of ours. My information is that we have not yet accomplished anything in trying to discover ways and means of preventing the development of the disease, at least nothing that is considered satisfactory. We will have to continue with the customary work.

Mr. White (Hastings-Peterborough): What formula was used in the settlement for the loss of animals in Oxford county from trypanosomiasis.

Mr. Gardiner: The market value was the basis of settlement.

Mr. White (Hastings-Peterborough): At the time of slaughter?

Mr. Gardiner: Yes, at the time they were destroyed.

Mr. White (Hastings-Peterborough): Was the same formula used in the west?

Mr. Gardiner: In this instance there were not the same quarantine restrictions as in connection with the foot-and-mouth disease, but the basic settlement was the same. We started out with the market value and then added to that because, even up to the present time, these people have not been allowed to bring in more stock. We think we gave reasonable consideration to those facts.

Mr. White (Hastings-Peterborough): Were the owners satisfied with the settlement?

Mr. Gardiner: We understand that is so. An answer was filed yesterday to a question which set out the objections which were raised by two or three.

Mr. Lennard: What advance has been made in connection with the study of vaccines or preventive measures in the case of an outbreak of swine fever?

Mr. Gardiner: Is the hon. member referring to hog cholera?

Mr. Lennard: Yes.

Mr. Gardiner: We do not know of any in Canada at the moment.

Mr. Lennard: I know that.

Mr. Gardiner: The plan that is followed is to stamp it out whenever it does come across the line. We have restrictions at the border all the time which do not permit the shipment of live hogs into Canada. That is because they have hog cholera on the other side of the line. Whenever it comes across we quarantine it and go to work to wipe out the hogs that have the disease.

Mr. Lennard: How is that done?

Mr. Gardiner: We destroy the animal, as we did with foot-and-mouth disease. We kill the hogs and compensate the owners.

Mr. Lennard: Has any experimentation been carried on with a British preparation called crystal violet hog vaccine?

Mr. Gardiner: We do not do much experimenting with hog cholera, as the United States are dealing with it all the time and we get all the information from them with regard to ways and means of handling it. When it does cross the line we handle it in that way.

Mr. Lennard: What way is that?

Mr. Gardiner: We get rid of the animals. In so far as preventive measures are concerned, little of that is done in this country. We get all the information from the other side. If we had an epidemic, if it were more widespread, then perhaps we could adopt better measures.

Mr. Lennard: You do not like them to use vaccine?

Mr. Gardiner: No.

Mr. Lennard: I understand that crystal violet is supposed not to convey the disease to other animals.

Mr. Gardiner: We have avoided using vaccines for the reason just suggested by the hon. member.

Mr. Lennard: I was wondering if any tests had been made of this crystal violet vaccine, which is recommended in a pamphlet issued by the British ministry of agriculture and fisheries.

Mr. Gardiner: In order to test it you would have to have cases of the disease. I can assure my hon. friend that I shall have the officials check this matter to see if anything can be gained.

Item agreed to.

667. To provide for payment of compensation to owners of animals and poultry affected with diseases coming under the operation of the Animal Contagious Diseases Act, which have died or have been slaughtered under circumstances unprovided for under the above act and regulations thereunder, in the amounts detailed in the estimates, and to authorize payment from vote 25 of the main estimates, 1952-53, of compensation in conformity with the terms of the act for the control and extirpation of foot-and-mouth disease, $75,398.

Mr. Nowlan: I notice that a substantial part of this vote is in connection with compensation for poultry flocks destroyed in Nova

Scotia as a result of having contracted Newcastle disease. The hon. member for Cumberland and I both have referred to this before. On what basis is compensation paid? Is it a statutory amount, or by agreement?

Mr. Gardiner: In so far as Nova Scotia is concerned, it was on the basis of individual losses. I think I put everything on the record the other night when we were discussing the item in the main estimates, with the exception of the total amount paid. A special arrangement was made in each case in Nova Scotia.

Mr. Nowlan: Are there any outstanding claims in the province?

Mr. Gardiner: The officials tell me they do not know of any case at the present time.

Mr. Murphy: The first outbreak of Newcastle disease occurred in Lambton, and I am just wondering if those who suffered this calamity in other places in Canada received better treatment than did the person involved in this first outbreak. On what basis is settlement made?

Mr. Gardiner: Prior to 1947 Newcastle disease was not reportable under our contagious diseases act and therefore we were not liable for payment. In 1947 it was brought under the act, and since that time payments have been made on the same basis as for other contagious diseases, namely the value of the stock which is slaughtered as agreed upon at the time.

Mr. Murphy: That does not answer my question. In this case the man was required to have his henhouses or brooder houses torn down and destroyed. I do not think it is fair for anyone to have to suffer a loss like that. As I say, I believe this was the first case and the department had to strain a point in order to cover it. Is compensation paid for equipment in the way of brooder and henhouses?

Mr. Gardiner: We compensate for the eggs and birds but we require a man to clean up his own property.

Mr. Murphy: There would be no compensation for brooder and henhouses that were destroyed?

Mr. Gardiner: We do not require a man to destroy them; we require that they be disinfected.

Mr. Murphy: They were destroyed in that instance.

Mr. MacKenzie: Mr. Chairman—

Mr. Gardiner: That must have been before 1947.

[Mr. Nowlan.]

Mr. MacKenzie: Mr. Chairman—

Mr. Murphy: If the hon. member for Lambton-Kent will keep his seat for a moment it will be better. I know we are both involved in this matter.

Mr. MacKenzie: I was trying to help the hon. member, that is all.

Mr. Murphy: I know you would like to do what some Grits did in the committee I have just finished sitting on.

Mr. Gardiner: There were no chickens there.

Mr. Murphy: No, but there were a lot of eggs laid ahead of time. People in the hatchery business buy expensive chickens. I think the hon. member for Lambton-Kent will bear me out when I say that in this particular case the compensation allowed was far short of the cost of the birds.

Mr. MacKenzie: The hon. member for Lambton West has tried to interject a little politics into this matter, and that is just as far from my mind as it possibly could be. This happened in 1948 and it concerned the Hay hatcheries. It was the first outbreak of Newcastle disease in Canada. I am sure the officials will recall that.

Mr. Murphy: I want to ask the minister if fairer consideration is being given those who suffer losses from this disease?

Mr. Gardiner: We do not appear to have any record of that case. I think I can say that as a result of the experience gained in British Columbia and Nova Scotia more effective assistance is being given than was given previously. I do not think we would be in a position to go back and start to deal with the other cases over again because it might be rather difficult to even establish that it is any better now compared with the conditions that existed then.

Mr. Murphy: Will the minister tell the committee whether shippers of chickens to the other side will still be obliged to have these crates disinfected before they come back into this country? I think the hon. member for Lambton-Kent will agree with me that it is from that point that the disease came into Canada.

Mr. Gardiner: Yes, the returned crates all have to be disinfected when coming back.

Mr. Argue: There is one matter I should like to draw to the attention of the minister on this item. I have a communication from Mr. Selmar Locken, secretary of the local lodge of the farmers' union at Ratcliffe, Saskatchewan. As the minister knows, Ratcliffe is south of Weyburn, within a few miles of

the United States boundary. I am told that the United States border patrolmen informed farmers living alongside the United States boundary a few days that if any of their cattle happened to stray across the boundary the border patrolmen had orders from the United States department of agriculture to shoot them on sight. I was asked to bring the matter to the attention of the minister in order to find out whether the Canadian government has had any consultation with the United States department of agriculture with respect to this instruction issued to the United States border patrolmen; and if Canadian cattle happen to stay across the boundary and are shot, will any compensation be paid to the owners of these cattle?

It was pointed out in this letter that even though farmers may use the greatest possible care in keeping their cattle within their fences, nevertheless the fences may become broken because of a severe storm or for some other reason and cattle may happen to wander across the line. I am asking the minister now whether this matter has been brought to his attention, and if a number of cattle along that boundary should be shot whether any compensation will be paid to the farmers. As the minister well knows, this is the buffer zone. It is not the quarantine zone, and these cattle are perfectly healthy. I think Americans are unduly concerned about a few head of cattle that may stray out of their pasture into the United States for an hour or two, but in any event if United States patrolmen slaughter Canadian cattle owned by farmers along the boundary will those farmers have some claim for compensation?

Mr. Gardiner: We have had no knowledge of any such thing. No report of that kind has been made to us. All I can say is that we will check at once to find whether that is the case and have the whole matter looked into. If that were the case I think we would probably have to put on a patrol rather than give any undertaking to compensate at the present time. I am afraid if we were to give an undertaking to compensate, particularly on the same basis as we have compensated others, there might be a lot of them go across the boundary. I should like to check into the whole matter before saying anything more about it.

Mr. Argue: I thank the minister for his assurance that he will have the matter checked. If Canadian patrolmen are stationed along the boundary to see that cattle do not get into the United States I am sure that will be a perfectly satisfactory arrangement. I should also like to ask the minister whether the department has give any consideration to building a proper game fence along the boundary to prevent livestock straying across now and in the months to come.

Mr. Gardiner: No. Up to the present time I do not think we have given any consideration to building a fence along the boundary line.

Mr. Argue: A game fence.

Mr. Gardiner: A game fence to keep animals from going across.

Mr. Argue: To keep ours at home.

Mr. Gardiner: We have not undertaken that.

Mr. Laing: I should like to say a word on the whole matter of compensation, because I am surprised to see the basis of compensation and the rates paid in Canada subjected to any criticism at all. I think they are the most generous of any country in the world concerning which I have been able to obtain information.

Mr. Argue: I did not criticize them.

Mr. Laing: I am dealing more with the remarks of the hon. member for Lambton West. I have here the amounts payable for Newcastle disease in British Columbia, and I think they are definitely generous. They went up as high as $8.90 in the case of a pedigreed turkey. Of course those are breeding turkeys. They went up as high as $3 for a capon. They were all of that nature. Payments were made of the nature of 17 cents for day-old unsexed chicks, 32 cents for sexed pullets, and so on. Payments were made on a pretty generous basis, and I should like to remind the committee that a number of the people whose flocks were wiped out in British Columbia received amounts in excess of $25,000. I think that is a pretty fair indication of the way these people were treated in Canada.

Federally in the United States not a five-cent piece is paid by way of compensation for Newcastle disease. Some of the states may have certain arrangements, but federally there is no compensation at all. They tell me that they are living down there with the disease at a cost to the industry of 20 per cent. It costs 20 per cent more in the production of both meat and eggs in order to live with the disease and treat it the way it has been treated there. I believe we have been paying on tuberculosis in cattle since 1911, and the whole history of compensation under this provision for disease in Canada has been quite generous. I think it has been well administered and I should like to hear the odd word of approbation instead of constant criticism.

Mr. Charlton: I know the hon. member would want to be fair to the hon. member

for Lambton West. I am sure the minister admitted that the compensation paid at the present time is much better than the compensation paid in 1948. I do not think the hon. member for Lambton West was criticizing the amount paid now, but was criticizing the fact that the amount paid now is so much greater—

Mr. Laing: Was he praising it?

Mr. Charlton: —than that paid in 1948.

Item agreed to.

Terminable services—

670. Freight assistance on western feed grains—further amount required, $11,250,000.

Mr. Nowlan: I am glad to see this item included in the estimates again. The minister has heard me make this comment before, and I am not going to take more than thirty seconds of the committee's time to say it again now. I think, and I am sure many others think, the time has arrived for this to be a matter of permanent government policy rather than to be included in the supplementary estimates on a hand to mouth basis. When I raised the matter last year the minister was away from the house, but he probably looked in his *Hansard* and saw that the distinguished gentleman sitting alongside him, his parliamentary assistant, was reported at page 4878 of *Hansard* of last year as agreeing with that view and saying he would refer it to the minister or the government. I am not sure whether he did, but I think this to be a very opportune time for the minister, in exchange for this way of providing for the matter in a vote, to undertake to see that in future it is dealt with on a permanent basis.

Mr. Gardiner: The matter has been placed before the government every year by me as minister, and has been accepted annually. It has not been thought advisable to put it in any other form than it is now, but as I said the other day when we were discussing the matter the fact that it has gone on year by year and has not been changed is fair inducement for us to think that probably it is pretty well established. However, none of these things are necessarily absolutely permanent. If I might be permitted to do so, I should like to put on the record a table showing the total tonnage for each province, the total amount of money involved, and what that amounts to per ton by way of freight.

The Deputy Chairman: Is it agreed that the minister shall have leave to put the table on *Hansard*?

Some hon. Members: Agreed.

Mr. Gardiner: The table is as follows:

TOTAL TONNAGE ON WHICH FREIGHT ASSISTANCE HAS BEEN PAID AND THE AMOUNT OF MONEY PAID IN CLAIMS FROM OCTOBER 1941 TO MAY 31st, 1952

—	Total Tons	Total amount of money	Average rate per ton over this period
		$ cts.	$ cts.
Ontario	12,288,280	59,366,552 00	4 83
Quebec	11,104,913	66,628,569 38	6 00
New Brunswick	1,286,769	10,626,980 25	8 27
Nova Scotia	1,548,375	14,026,644 80	9 06
Prince Edward Island	430,508	3,899,545 45	9 06
British Columbia	2,580 906	16,687,616 15	6 47
Newfoundland	44,069	895,992 67	20 33
GRAND TOTALS FOR THE PERIOD	29,283,820	172,131,900 70	5 88

Mr. Nowlan: May I say that the opinion in the east is that no amount voted by parliament or spent by this department is better spent than this item.

Item agreed to.

[Mr. Charlton.]

Special—

673. Land protection and reclamation; clearing and settlement of new lands under such terms and conditions as may be approved by the governor in council—further amount required, $100,000.

Mr. Charlton: Item No. 48 in the old estimates was the same, and I see that $100,000 was chopped off this year in the regular estimates but it is added here.

Mr. Gardiner: It will be noted that in the general estimates the item was cut from $350,000 to $250,000, but when it came to the supplementaries we thought there should be an equal amount this year and this was put into the estimates. Whether or not it will all be used has not been determined.

Mr. Charlton: Is this assistance to land clearing in the west?

Mr. Gardiner: Not necessarily in the west; it is anywhere in Canada.

Mr. Charlton: But most of it is spent in the west?

Mr. Gardiner: Well, we spent $100,000 in Ontario down around lake Erie a couple of years ago.

Mr. Charlton: This is interesting. On lake Erie?

Mr. Gardiner: Yes, Erieau, I think it is called. It is south of Chatham, anyway, and there is an area there, as I recall it, where they have about 1,500 acres very intensively operated for the production of vegetables.

There is a dike alongside which protects the area from the lake. As a matter of fact, I think the land is below lake level a little and there has been a dike there for years. People had actually built their summer homes on the dike and the waves coming in from lake Erie were washing away the dike. Some of the houses had even been undermined.

The provincial government and the farmers had been carrying on, and the farmers had been taxed so much an acre. The provincial government was putting up a certain amount for a number of years, but they found the process pretty slow and they applied to us for some help. We put up dollar for dollar with the province for one year and completed it. I understand that if it had not been completed the washing away that has taken place in some other areas along the lake is small compared to what would have happened in that district. It was just a speed-up, and we used $100,000 on that occasion.

Item agreed to.

675. To provide for price adjustment on overweight hogs, $100,000.

Mr. Argue: I would like to have an explanation from the minister of the formula that is being used for price adjustment, and to ask how producers can obtain price adjustments.

Mr. Gardiner: That has to do with the request we made to farmers at the time the foot-and-mouth disease hit first, to hold their hogs off the market until they were further instructed. Three weeks prior to the 19th April we said that the 19th April would be the last date on which the adjustment would be paid. This $100,000 was to take care of extra payments on account thereof.

Mr. Argue: To whom is the money paid?

Mr. Gardiner: The money went to the hog producers through the packing houses that bought the hogs.

Mr. Argue: Has this anything to do with a man who sold his hogs for 14 cents a pound and feels that he has a price adjustment coming to him? Or is this something else?

Mr. Gardiner: The only hogs upon which payment was made were hogs that did go overweight which otherwise would have been A or B. It did not apply to the so-called extra heavyweight hogs because they were probably overweight before.

Mr. Argue: Have the farmers been issued their cheques?

Mr. Gardiner: Yes. The other man you have just spoken of has been taken care of by the packing houses in many cases. Where farmers were paid only 14 cents and should have been paid 18 or 19, under the arrangement we made for canning the pork the packing houses in many cases should have made adjustments and in many cases they have done so. I do not think every farmer who was entitled to it made application, but many of them who did received the adjustment.

Mr. Argue: This is not for hogs that are graded extra heavy with the price quoted at 14 cents a pound.

Mr. Gardiner: No.

Mr. Argue: Those farmers cannot hope to receive anything more.

Mr. Gardiner: I would not say that. I have a letter on my desk today from a farmers' union which says a certain farmer did get an adjustment but another did not, and they want to know how the one farmer did get it. The only reply I could give was to write whatever packing house he delivered the hogs to, and probably there will be some adjustment. If there is not he should write to us, and we will take it up.

Mr. Argue: What adjustment is given?

Mr. Gardiner: The case mentioned here was 4 cents a pound. Apparently the farmer received 15 cents or 14 cents and they later put it up 4 cents.

Mr. Bryce: Was that discontinued after the 19th April?

Mr. Gardiner: The provision referred to in the estimates was, but the other matter has nothing to do with this. It is between the farmer and the packing plant.

Mr. Bryce: The farmer can claim yet?

Mr. Gardiner: Yes.

Item agreed to.

POST OFFICE DEPARTMENT

311. Departmental administration, $1,118,455.

Mr. Fraser: Mr. Chairman, I would like to ask the minister a question. Has the postal department considered denying the royal Canadian postal facilities to communist Endicott and his communist peace friends?

Mr. Cote (St. Jean-Iberville-Napierville): Would you repeat your question?

Mr. Fraser: I wonder whether the Post Office Department has considered denying the royal Canadian postal facilities to communist Endicott—the one they call "doctor", though I do not know why—and his communist peace friends who are continually sending through the mails peace literature. I wonder if the minister wants to answer now, or whether he would like me to ask a couple more questions.

Mr. Cote (St. Jean-Iberville-Napierville): Mr. Chairman, there is no possibility of the department uncovering the matter. If it is in a sealed envelope, I am sorry to answer that we cannot do anything. Where we can find obscenity and things like that we do act.

Mr. Fraser: Well, Mr. Chairman, I think some of these letters are going through unsealed. Members of parliament have received unsealed letters containing Endicott literature. I should not say it is literature, because it is not; it is just trash. Then there are letters from this peace union which are also unsealed. Members of parliament are receiving them, as do other people throughout the country. There should be some regulation, and I imagine there is, to prevent that stuff going through.

Mr. Cote (St. Jean-Iberville-Napierville): Mr. Chairman, we will be happy to do whatever can be done in such cases. If there is a contentious matter we refer it to the Department of Justice to decide; or in other cases we refer the items to the attorney general of the province for action.

Mr. Fraser: Mr. Chairman, I just want to finish out a couple more questions. Since the department put in the one mail a day system in residential districts across Canada there has been great dissatisfaction among the postal carriers owing to the fact that it does not mean one postal delivery a day to them but two postal deliveries; and in some cases these men have to make between four and six hundred calls a day. There are one or two routes in Peterborough on which the postmen have to make 600 calls a day. There is a feeling amongst postal delivery men that their pay is not in line with the pay received by policemen or firemen in the various municipalities in which they are working. The postmen feel, too, that since the office workers in the post office receive overtime pay they should also get overtime pay. Is the department doing anything in regard to that?

In the United States postal workers receive what is called special service pay after ten years of service. Is the department considering any such recognition here.

Mr. Cote (St. Jean-Iberville-Napierville): I think it is only fair to say that all questions of salary come under the civil service commission. So far as the overtime question is concerned, it is actually under a national joint council survey.

Mr. Coldwell: I should like to ask a question of the minister.

Mr. Fraser: The minister never answered the question concerning the possibility of having two deliveries a day.

Mr. Cote (St. Jean-Iberville-Napierville): Perhaps I might make a statement on that question. I think it will be immediately apparent to almost anyone that it is impossible to give as good a delivery service on a one delivery per day basis as it was formerly on a minimum of two deliveries a day; therefore, from the standpoint of service to the public, the Post Office Department looks forward to the day when conditions will be such that it will be appropriate to reinstate the minimum two deliveries per day.

On the other hand, I think I should mention that there have been many expressions of opinion from patrons who are now receiving one delivery a day that this service is adequate. I must admit that these expressions of opinion are from private individuals, and are not from business concerns who happen to have located in residential sections and therefore are only receiving the one delivery a day. The department fully realizes the disabilities which these business concerns might conceivably suffer and we have therefore, whenever circumstances have permitted, made a special study of these cases with a view to making such rearrangements as the circumstances permit to improve the service. Today we receive very few complaints indeed, and this in itself I think is an

indication that the department has been able to overcome some of the disadvantages which were brought to our attention immediately the change was made from two deliveries to one delivery. We are not contemplating any change in the one delivery system at the present time but, as I indicated above, we have not ruled out the possibility of reinstating two deliveries when conditions are favourable.

At this point I might mention that to re-establish two deliveries under present circumstances would involve an additional expenditure of over $3 million yearly.

Mr. Fraser: Owing to the fact that there is only one delivery a day, the post office is losing money. I know of cases where mail is coming from Montreal to Peterborough via express. It was never carried that way before. Mail is passing between other towns and villages via express instead of postal delivery so the people to whom the mail is addressed will receive immediate delivery instead of having to wait until the next day.

Mr. Cote (St. Jean-Iberville-Napierville): It is possible, in some classes of mail, that we have had to meet some new competition. I believe that over all we really did economize only to a reasonable amount. Last year our revenues were $122,266,674, compared with $105,533,994 for the year before.

Mr. Coldwell: I have a point connected with economy. The department has been economizing, and the member for Peterborough West has raised one phase of that economy which has been irritating some people. I believe the department is entirely overlooking the inconveniences that are caused in many country places by the economies that have been put into effect in the rural areas. I know of cases where postmasters in the small places, who are putting in what happens to be almost a full day and providing the premises, are getting as little as $85 or less a month. That however, is not the point I intended to make.

I have before me a complaint from one of my constituents that a small office in the province of Saskatchewan—I might as well name it, the hamlet of Surbiton—has had a change of status. This is a farming area, a good community, but where unfortunately for me so far as the territorial extent of my constituency goes the farms have been largely consolidated and the population has become depleted in the past two or three decades. Last January the status of this office was changed from an accounting office to a non-accounting office, and that curtails the service automatically.

In the non-accounting offices the postmaster cannot issue money orders for more than $15, and so far as postal notes are concerned he is restricted as to numbers and denomination, etc. Such an office is not allowed to issue radio licences. In those areas the greatest inconvenience is caused to patrons of the post office during the winter months of the year when it is difficult to go long distances by automobile. In that period, as in other periods, if a person wishes to send a mail order or remit money through the post office in an amount exceeding $15 he has to ask the postmaster at the local post office to send to an accounting office for the money order. It may be that there are only one, two or three trains a week, and consequently you can understand the tremendous inconvenience that is caused under the circumstances.

I believe the department does not really understand the extent of the inconvenience in the rural districts of provinces that are somewhat sparsely settled like the province of Saskatchewan where, as I say, you have consolidated farms and great distances between farms. Many of these people are quite well to do, particularly in the area I am discussing. At times they are unable to get to an accounting office, and so are unable to get a postal note or money order for more than $15 in order to get supplies they need from the cities of Saskatoon, Regina or some other place.

I am bringing this to the attention of the postmaster, because I believe this is a false economy. It is always false economy when lack of service of this description causes great inconvenience to post office patrons. After all, the post office is, to a large extent, a public service. We know it sometimes operates at a deficit, but those who live in the cities have all the conveniences and are asking, as the hon. member for Peterborough West did, for more conveniences. I say some consideration should be given to the people who live in the rural areas and are obliged to do their business at these non-accounting offices.

Mr. Cote (St. Jean-Iberville-Napierville): I may say to my hon. friend that it all depends on circumstances and the demand in the locality. When we are asked to give authority to issue money orders in large amounts, we investigate each case and accordingly grant the authority to write money orders for greater amounts where the circumstances justify, and the postmaster is competent to undertake the accounting.

Mr. Coldwell: I am going to ask the minister to investigate this particular case at Surbiton.

Mr. Cote (St. Jean-Iberville-Napierville): I shall be pleased to do so.

Mr. Coldwell: There are a number of other cases. I did not take a note of one that was given to me in the southern part of the province when I was there. I could not tell you the name of the village or hamlet. There are other cases, however. They may not be brought to the attention of the minister as I have brought this one to his attention at the present time. Perhaps by the very fact that he says something might be done if cases are brought to his attention, those who read *Hansard* or who read the newspapers will be enabled to bring other cases to his attention.

Mr. Cote (St. Jean-Iberville-Napierville): I shall be pleased to have those cases investigated.

Mr. Fair: Mr. Chairman, I also have a case of false economy to bring to the attention of the minister, but I shall wait until eight o'clock.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at eight o'clock.

The Chairman: We were considering item 311.

Mr. Fair: Mr. Chairman, when the committee rose at six o'clock I had given the Postmaster General notice that I had another economy measure to discuss with him after eight o'clock. This has to do with the service given by the Post Office Department at Furness post office, located on the Saskatchewan side of the fourth meridian. About 20 years ago two or three small country post offices were closed in order that the residents of this district might have rural mail service. A man by the name of W. A. McLeod was giving good service, though receiving only $500 a year. This service was given twice a week over a 24-mile route, serving 31 householders. He had a four-year contract which expired on March 31, 1951. On March 30 service was suspended because Mr. McLeod refused to renew his contract at the old rate of $500.

During the debate last session the Postmaster General told us that the average increase was 17 per cent. Mr. McLeod put in a tender at $600, just slightly more than the 17 per cent increase, and indicated that he would not do the work for any less. That, I might add, is not a very big wage anywhere. In the midst of its economy drive, headed by the former Postmaster General, the Post Office Department would not increase the amount from $500. After the residents were without mail service for nearly three months they got in touch with me and asked me to see the officials here in Ottawa. I got busy, starting away down the line, and continuing until I reached the deputy postmaster general. I was not able to get any increase for some considerable time. Finally they said they would have to do something about it, and offered to raise the amount to $600. By that time the man who had been carrying on —and he is not a young man any more— had found other work to do. They were unable to get anyone else to tender. The postmaster at Furness offered to do the work for $600 per year until such time as he could not do it by motorcar. The department decided that was not satisfactory. The result has been that those people have been without mail service of any kind. They do their business in Lloydminster, a town more than 20 miles away from most of those people.

I feel they are entitled to at least rural mail service, even though it costs a little more than $600 a year. I believe the amount would have to be increased before anyone could be secured to do the work. While people in other parts of the country are enjoying daily mail service—and even complaining about that, with their mail delivered to their doors—those people away out in the country, the pioneers, have been without mail service for more than a year. They received their last mail a year ago last March.

Possibly the former Postmaster General was sent to the bench so we might have someone else heading the administration of the department. We now have a new man there. He is a good-natured looking fellow, and always has a smile. I do not know that he will always be able to say that he can grant requests made, but I would ask him to take this matter under advisement.

Mr. Abbott: I hope not; it would be hard on the treasury.

Mr. Fair: Let me remind the Minister of Finance that when he and the Minister of National Revenue want to levy taxes against the farmers in that section of the country, they see to it that those taxes are paid, and that they pay interest on the amount of unpaid taxes. So perhaps the Minister of Finance should reconsider his objections.

I have had a number of letters in the last few months from rural mail couriers who are asking that something be done for them. I know they are operating under the tender system. As I have explained to many of them, if they tender too low it is their own fault. But here was an instance of a man who had tendered at a reasonable rate but who will not receive the contract. He becomes fed up with the department, and will not

work for it any longer because in the meantime he has obtained something else to do that is paying better wages.

I believe that on the whole, when we compare their pay to that received by other people in the post office as well as in other departments, the rural couriers are doing their job too cheaply. These men who go out in all kinds of weather, both winter and summer, are deserving of much better pay and better consideration than they are now receiving. The prices of the cars they have to buy to give the service have increased, as have also all other expenses. This should be taken into consideration when contracts are being let.

I hope the Postmaster General will give the people in the area to which I have referred the service to which they are entitled, because they are still Canadians, even though they are away out in Alberta.

Mr. McCubbin: Mr. Chairman, I wish at the outset to congratulate the Prime Minister upon the very fine choice he made as Postmaster General. I know that once the minister becomes familiar with his department—and he will soon do that—he will do credit to that portfolio.

I do not wish to be critical at this late stage in the session, but I wish to say a word on behalf of the rural mail couriers. They are a group of men and women—because they are not all men; many of them in my own constituency are ladies—who go out in all kinds of weather to carry the queen's mail up and down the concessions and side roads, carrying letters and papers to the farmers living there. They give this service every day, winter and summer, good weather and bad, hot or cold. I do not know of any finer group of men and women anywhere giving service to the people of Canada. But I do not think the government is fair in the wages or salaries it pays these people. This is one group of government servants not being paid what they deserve. Someone may say, "Well, what about the tender system? It may have its imperfections, but these persons have taken the jobs on a tender basis. The only way they could receive more money would be to throw up their contracts, and re-tender".

I do not think this is good enough. When a man is giving good service in other branches of government employment, I know an effort is made to raise his pay. This is done, too, in private business. We try to give them what they deserve. The same does not hold true in connection with rural mail couriers. They are allowed to continue year after year, four-year term after four-year term, without any change. I know some in my own riding who have been giving service for more than thirty years, and in all that time have received only one increase in pay.

I know it has been said that a committee will be set up at the next session to reconsider the whole system, but that is not good enough. We want these people to get a salary increase and we would like to see them get it now. There are certain ways of doing it. One would be to provide a supplementary payment as was done in 1948. I think the government and the Postmaster General should take this matter under consideration to see if something cannot be done to assist these noble government employees.

Mrs. Fairclough: Mr. Chairman, I am sure that in these last few hours of the session the Postmaster General will realize that some of the usual amenities fall by the wayside, but on behalf of the official opposition I have pleasure in congratulating him upon his appointment to the office he now holds and wishing him every success. There are a few things I should like to bring up this evening on these estimates, some of which have been mentioned already by my colleagues.

In particular I should like to refer to a matter which was mentioned briefly this afternoon by the hon. member for Peterborough West; that is, the reversion to two deliveries of mail a day in urban centres. This is a matter which claimed our attention last year and on which many of us spoke. The claim was made by the Post Office Department that economy was made possible by reducing this service, but I find on looking at the estimates that whereas the department budgeted last year for $97 million its actual expenditure was in excess of that figure. I hope the minister will have figures at hand to show the real results of this move.

I realize full well that the matter of one a day, two a day, three a day or four a day delivery is of concern only to urban municipalities and consequently has little relation to the over-all picture. I do know that in adopting this new delivery plan a great deal of overtime was necessary, as well as the employment of additional inside staff to do the extra sorting required. When the minister comes to answer questions I should like him to indicate what was paid out last year for overtime and for the employment of additional inside staff.

The hon. member for Peterborough West asked a question which was answered, but as I did not hear the answer I shall have to read it in *Hansard* tomorrow. I do hope that con-

sideration is being given to the reinstatement of two a day delivery for residential walks in urban centres. This is a matter of concern to all people in business or in the professions in our growing municipalities. I do not think I can do better than describe a situation which exists in Hamilton in what is currently regarded by the Post Office Department as a residential walk.

Within that walk there is a club which possibly could do with one delivery a day. Next door to that club is the Bell Telephone Company. Next door to the Bell Telephone Company is a well-known restaurant above which are a number of professional offices. Next door again is a hotel which also contains many shops and professional offices. Around the corner and down the side street is the head office of one of the largest canneries in the Dominion of Canada. Down the back street is the Y.M.C.A. and a stockbroker's office, as well as several other business offices. I think I have given enough information to indicate the character of this so-called residential walk.

Within the past six months it was necessary for me to move my office from a location which was serviced with three a day delivery. I moved only three and a half blocks and have one a day delivery at 8.30 in the morning. This means that mail from Toronto, Montreal, Chicago or New York does not reach me until twenty-four hours later. I know a similar situation exists in the business and professional offices located in the block in which my office is located, and which is only three and a half blocks from the centre of the city of Hamilton.

During the past few years, with the shortage of building materials and so on, many people have moved out of their uptown offices into what was formerly residential accommodation which had been converted into office space because of its central location. I suppose the answer to this complaint will be that these persons could go to the central post office, which in this case is only six blocks away, rent a post office box and collect their mail. We would be glad to do that, but unfortunately the central post office has no boxes for sale. All of that type of accommodation is taken up. One is faced with the situation that unless his clients and customers and other correspondents use special delivery in each case, his mail will be delayed by twenty-four hours.

I have had numerous letters from people in Hamilton which I do not propose to read into the record at this stage, but they prove that mail for delivery within the city of Hamilton has taken as much as three days when the distance involved was only half a mile.

I am sure the Postmaster General will be the first to say that a situation like this cannot be condoned in a department which pretty well pays its own way. Within a short time we have had an increase in rates. We all realize that costs have increased, and I am sure the businessmen of this country consider that postage is the least of their expenses. I am sure also that they would be willing to pay more for post office service if they could obtain it. But when one is stymied at every point, when one cannot receive mail which he knows is in transit either by applying at the central post office or by having it delivered at his premises, it is indeed a cause for some concern. So I ask the Postmaster General to tell us what is contemplated, and I hope he will say it is not going to be very long until at least two a day delivery is reinstated on residential walks within municipalities.

With this in mind I think I should read into the record a rather amusing commentary which appeared in a local newspaper. It is headed, "Those were the days", and reads as follows:

> Maddened businessmen impatiently awaiting letters which travel from city to city across Canada with all the speed of a pony express are wondering just how much progress there has been in the past sixty years. In April, 1892, the postmaster for Hamilton was pleased to announce an extra afternoon delivery of mail in the downtown area. This made not two, not three, but four deliveries of mail daily. Local mail received at the general post office by 2 p.m. was promised delivery the same day. Today it can easily take a letter two or three days to travel three blocks in the city. To secure any reasonable guarantee of early delivery a letter must have a 10-cent special delivery stamp attached. For householders there is only one delivery a day, sometimes late in the afternoon. Looking back at 1892, it looks as though at least in one department the clock has been turned back a very long way.

I realize that all departments of the government have great problems in these days of rising costs and demands for economy, but in a department which has consistently had considerable revenue flowing into it, as well as expenses out of it, it seems to me there is very little reason for curtailing a service which after all keeps the business, industrial, commercial and professional life in this country flowing. I hope the minister has taken all this into consideration and will give us a favourable answer. I hope he will reinstate if not three at least two deliveries a day on the residential walks many of which now service commercial and professional enterprises within municipalities.

There is one other matter of which I wish to speak, and it is one that has been brought

up in the house on many occasions. I refer to the problem of charges on food parcels to the United Kingdom. I do not think there is an hon. member in the house who is not aware of the explanations that have been given on former occasions. We have been told many times that one of the mail problems is the reluctance of the post office department of the United Kingdom to make any reasonable concessions in the matter of postal rates in their country. However, we live in a country of plenty and there are a great many people in Canada who have friends and relatives in the old land. They are worried about them. They would like to help them out if only to the extent of one food parcel a month, but when they take their parcels to a post office they find all too frequently that the cost of the postage on the parcel exceeds the cost of the food contained therein. They are quite willing to buy the food and send it to their friends and relatives in the old land, but they cannot see why the government of Canada should not go along with them at least part of the way in some sort of alleviation of the added expense of postal charges.

I have here a letter which has come to me within the current month. Again I shall not read it into the record because it is the old story. Why can we not have lower postal rates on food parcels to Great Britain? As my second main question I ask the Postmaster General whether his department cannot consider some concessions in postal rates on food parcels to the old country without regard to the fact that the United Kingdom cannot accede to any request that may be made by this government for collaboration in that respect.

In an effort to co-operate with the Postmaster General's department and with the house in general I shall only make these two requests. In the first instance I ask that two a day delivery at least be reinstated on residential walks throughout the country, and in the second place I ask that serious reconsideration be given the postal rates on food parcels to Great Britain.

Mr. MacKenzie: Mr. Chairman, I quite appreciate that at this time of the session any long drawn out remarks would be very unpopular. As a matter of fact I am very glad the Minister of Public Works has left, because he was giving me a rather frowning look a few minutes ago, and I do not want to be diverted from the few observations I should like to make. I quite agree with those who have spoken that across the board economy should be practised in all government departments; but do not forget that the Post Office Department goes hand in hand with the development and progress of our great dominion. I think it is one of the last departments where we should make any drastic cuts in service in order to practise economy, because to me that would be false economy.

I suppose this question has come up every time the estimates of the Post Office Department have come before the house. I want to speak for a moment about rural mail delivery and the rural set-up as we have it in this country. Rural mail delivery was established in Canada some 44 years ago. That is a long time ago. The riding of Lambton-Kent which I have the honour to represent has some 80 rural mail services. There are in Canada approximately 5,200 rural mail routes with about 7,500 side services, which means that we have all told around 12,700 rural mail routes and side services throughout Canada. These couriers travel approximately 120,000 miles a day and deliver mail to approximately 375,000 boxes throughout the dominion, so they render quite a service and the work they do is quite extensive.

As hon. members will recall, last year the Post Office Act was amended so the postal department could adjust salaries paid under rural mail contracts that were less than $1,000 per annum. To me that was not a forward step. To me that did not solve the problems of rural mail delivery at all. As a matter of fact I am inclined to think it rather complicated the situation because at the moment there is a certain amount of discrimination. The person who is receiving under $1,000 gets his salary adjusted but the person who is receiving over $1,000 must throw the route open to public tender; and under the Post Office Act it is emphasized so often by the officials that the lowest tender must be accepted provided the party is reliable and furnishes good bondsmen.

The service was started under a public tender system and the tender is for a contract for a full year. I do not know of any other branch of the post office service that operates under a public tender system. There is no other branch having to do with Her Majesty's mail that I know of that employs the contract system. Don't forget that the janitors and caretakers in the post offices do not tender for their positions. Their jobs are set up for them and the positions are awarded through the civil service commission. There is a mail courier in Watford, Ontario, who has delivered mail for some 42 years. I would think that is something of a record. During those 42 years of service he has never to my knowledge had a public tender called because he had established himself and could not afford to

take the chance of throwing the route open to public tender. He did get a small adjustment when the Mail Contracts Supplemental Payments Act was inaugurated during 1947 and 1948. A small adjustment was made then, but since that time no adjustment has been made. I would say, too, that in the suburban areas where the contracts are made for four years initially, the number of boxes may have been comparatively small but boxes may since have been established all along the line and the carrier may have twice as many boxes to serve. There is no way around that.

Again I say the system of public tender is wrong. I quite appreciate that the post office officials, efficient as they may be, feel that it is a difficult job to set up a system where public tender is not necessary; but I wonder what the deputy postmaster general or some of the senior officials, who get a fair salary as the public accounts will show, would think if they were asked to put in a public tender to compete for their jobs. You would say, and they would say, that would not be fair at all. Of course it is not fair, but at the same time that is the system they have followed throughout the years with respect to these carriers. I would say that there are a lot of injustices in the present set-up.

Under the present Post Office Act there are no regulations which say that rural mail service can be extended on this spur or that spur. It is left entirely to the discretion of one or two men in the Post Office Department, and I do not think that is a fair way of doing it.

I am quite pleased that the Postmaster General has stated that he is willing to set up a committee to study this problem and report to the house, as a possible method of getting away from the public tender system. Well, that is all right I quite agree; but it is nothing new. That has been suggested for many years. The fact is that it has never been approved and although it is a good idea it would be so slow in operation that I do not think it worth while at the present time.

So I would say to the Post Office Department that they should re-establish the system in force in the postal service during 1947 and 1948. They then gave the rural mail carriers and those handling the mail some degree of equality of pay across the board. I think that could be done again; but this system you have now, the $1,000 plan, gets away from the idea entirely and you have the same inequalities of pay that you had before. I would entreat the Post Office Department to re-enact the Mail Contracts Supplemental Payments Act again to take care of the injustices that do exist in the post office service, and specifically among rural mail carriers, until such time as you have a committee set up which can bring in something that will be fair, equitable and just to a body of men and women who do give good service in this country, and who are not used as fairly as other post office employees.

[Mr. MacKenzie.]

Mr. Hosking: I take part in this debate because I think it would be advantageous to the minister, who is assuming a new portfolio, to hear and learn some of the problems that confront his department as they are known to members who live in various sections of the country which are serviced by his department.

I would like to congratulate him at the outset on his announcement that at the next session a committee will be set up to look into the service given and the operation of his department. I believe he will obtain much information from that committee which will make it easier for him to give the service that his department is capable of giving. I think we as members should appreciate the fact that he has made this announcement. However, I think it would be wise at this time to state a few of the principles upon which his department has grown.

The postal department has always been very proud of its record and of the tradition that "the mail must go through". As long as I can remember I have always understood that there was nothing more important than Her Majesty's or His Majesty's mail, and that the mail must go through. That feeling is built upon tradition, and is one which most of the employees of the department fulfil at all times.

I cannot help but feel that in the last year it has been greatly jeopardized. In fact I do not think I would be very far wrong in suggesting that the instigation of the one delivery a day gave all employees across the board a feeling that it did not matter if the mail did not go through. To me that is one of the serious objections to this one delivery a day. If that change has broken down the high spirit, the integrity, and the strong feeling of urgency all employees should have that the mail must be delivered, that they must get it out, that it is not theirs, that they are handling it for the Queen and it must go out; if the feeling that they need not bother delivering the mail today has permeated those delivering the mail, then I think we have done a great disservice to this country.

I live in a city that is affected by this one delivery a day in the residential areas, and I hope this minister will make every

effort to re-instil into his staff that wonderful spirit, the esprit de corps that they had, the thought that they have an important job which they must do and which they must not leave unfinished. If he can do that he will be worthy of the gratitude of the citizens of this country. I am quite confident that he is able to do that, but the job is not easy.

Speaking of the rural mail carriers I would suggest that efficiency is very important in the government, but I do not believe there is any more efficient way to operate our rural carriers than on the tender system. I would point this out to the minister, and to ask him for some action, if possible, during this year. I would have no complaint about the tender system if the cost of living were not rising; but just imagine a person who tendered for a mail route four years ago and today is operating at that same tender price, when we all know that the cost of his gasoline, of his automobile and of his own time has practically doubled. Now he is in a position where he is not adequately paid, and the only way he can have any adequate readjustment is by asking to have his route put up for tender.

Everyone knows there are many mail carriers, and I would point this out if I may. In my riding the best rural mail carriers are those who have been doing the job for some time. For some reason or other they are better regarded by the people they serve. Perhaps it is because they operated in a different era than those who are starting today. But I am quite confident that they give the best service, and they are the ones who have to put their jobs up for tender, not because they want more money for doing the job but in order to cover the increased costs of operation and of their living.

I would ask the minister, therefore, to give every consideration to these people, and to find some means of giving better treatment to the employee who is most conscientious, the one who has operated for years and years and about whom the members of parliament hear no complaints whatever. Some way should be found of adjusting the salaries of these employees in order to balance up the increased cost of living. If the minister could do that he would be doing a service to all the people who enjoy the benefits of our wonderful mail service in this country.

Before I sit down, Mr. Chairman, I would like to say that my deskmate, the hon. member for Kent, who is absent through illness, has asked me to say that he has exactly the same feelings as those I have expressed tonight.

Mr. McLure: At the outset I might say, Mr. Chairman, that on Monday, June 9, when the Postmaster General introduced his estimates, I was anxious to congratulate him on being appointed to this high position in the cabinet. Let me say to him that we may be criticizing his department, but I want him to understand that my criticisms will be directed against the department and not against him because he is a new man on the job. A year from now, if we all come back, we might then direct our criticisms against the Postmaster General. I would say to the Postmaster General that the best slogan for him to adopt would be to be like the postage stamp; if it is to be of any use, it must stick to its job. The Postmaster General must do the same. Some postmasters general took too active a part in politics, especially in by-elections, but they are not with us now so we had better leave them alone.

With reference to the postal department, I do want to say that it serves more people and comes in contact with more people than possibly all the other departments put together. It is a great manufacturing department. It is the one department that manufactures a little article called a stamp; no one really knows the cost of it, but I am told that it is about 1/100th of a cent. This department sells some stamps for 1 cent, some for 2 cents, some for 3 cents and a huge number of them at 4 cents. Then they sell some more costing 5 cents, 10 cents and as high as 20 cents. It is for that reason I call the department a great manufacturing department, and that is where the profits come from.

For years I have been interested in this department, because there was always a surplus of $10 million, $12 million and sometimes as high as $13 million. All of a sudden this huge profit disappeared and became a deficit of over $1 million. I do not think that should have happened. After having the benefit of increasing the rates by 50 per cent, the department shows a decline from a profit of $10 million or $13 million to a deficit. It is very difficult for me to understand how that could take place. I am not going to deal with many generalities, because I have too many problems nearer and dearer to me than the generalities of the postal department. I see the Minister of Public Works putting on his glasses to get another look at me.

I might say, Mr. Chairman, that I have nothing but the highest praise for the great

postal system of this young Canada of ours. We have a post office in Charlottetown—I am not speaking of the building; that will come later—that is exceptionally well run. I doubt if any province has a post office of the same size with the same number of employees that is giving any greater service to the people. Right from the postmaster and the inspector down to the mail carriers and the stamp vendor—about whom I shall have a few words to say later on—all give good service.

I believe the department has not dealt properly with our province because it has not been made a postal zone the same as the provinces of New Brunswick and Nova Scotia. Why should we as a province, with all the rights of any other province, be tied to the Saint John post office? Here we have a post office which is just as good in the way it is set up and the men who are employed as the Saint John or Halifax post offices. At the same time we do not enjoy the authority to conduct our own business.

Let us look at the set-up. First of all the department at Ottawa sets up a regional controller with a head office in Moncton. He takes charge of the maritime area including the Magdalen islands. Under him is Mr. W. R. Ingram, district director of postal services at Saint John, New Brunswick. He has control over New Brunswick, Prince Edward Island and the Magdalen islands. There is a separate district director at Halifax for the province of Nova Scotia. Formerly Prince Edward Island was able to conduct its own business, but the department at Ottawa abolished our district. Now what happens? We have a very capable post office inspector at Charlottetown, Mr. Coyle. We also have a postmaster, Mr. Connolly. Both are good men. We shall suppose, and I have known of such cases, someone from a rural section comes in with some trouble, or perhaps to obtain some article he requires. He goes in to see the postmaster at Charlottetown who says, "You need that, and we will get it for you". He must then go through to the post office inspector, but that is right next door to him in Charlottetown. Then they must go through to Mr. Ingram in Saint John, New Brunswick. Well, it depends on the time of day when they get through to him by telephone or telegraph. He may be out. Then when they get through to him he cannot decide it. He has to go through to Mr. W. C. McEachern, the regional director at Moncton. It may perhaps be his day off and he may be out golfing. Then Mr. McEachern cannot act. He must go back to Ottawa. Instead of our doing our own business, by the time it gets back to Ottawa it may be a week end; they do not work Saturdays or Sundays, and on Monday they are still playing golf.

It takes from seven to ten days for this little item to be settled, when it could be settled in ten minutes by our own inspector or our own post office man. I want to say again that the department here had no right to abolish the district director and take away from the province of Prince Edward Island, and from the city of Charlottetown in particular, the right to run its own business with regard to postal matters.

I put this matter up to the Postmaster General last year, but he is now gone; nothing was done about it. It was never mentioned, it probably never came up for consideration.

So much for the postal department. I now want to deal for a few minutes with another matter. When the Postmaster General was introducing his estimates the other night he made a statement that came close to the hearts of many on this side of the house—because we have been pleading for it ever since 1945—when he announced that it was his intention at the next session to set up a parliamentary committee to study the problems of the rural mail couriers. This announcement was received with rejoicing by most of us.

I am rather surprised at what has happened tonight. When I turn back to other occasions when a number of us were speaking on this particular subject, we find that there was complete silence on the other side of the house. But tonight we find two or three of them wanting to get on the bandwagon. We are glad to have their assistance; and when the time comes for the Postmaster General to set up this committee I am sure it will be able to lay down a plan that will do away with the discrimination that exists today and that will give these mail couriers the treatment they deserve. They are among the finest people we have employed in any way. They are faithful. Let us deal with them as they deserve to be dealt with. I am sure a committee will assist the Postmaster General.

For the benefit of the Postmaster General in view of the decision he has already made, namely that he is going to set up this committee, I just want to give an idea of some of the discrimination that exists in the mail routes. I am going to deal only with the district I know, namely my own constituency of Queens.

In this constituency the couriers have different routes to travel. As I said, I am going to deal only with those I know. I am going

to take them from the standpoint of the distances travelled and the services being rendered. I just want to show the Postmaster General what discrimination exists. For instance, I have before me contracts for six miles, and in those contracts I find a difference of $100 for doing the same work, travelling the same distance, over the same conditions of roads and giving the same service. All of them give good service; but even in a distance of six miles, here is $100 of a difference. Then we go to the distance of eight miles, and we find there a difference of $120, for the same class of work, giving the same service. Then when you move along to the distance of nine miles, and the figure is still going up—we find a $150 difference in the contracts. Then coming to the contracts for ten miles, I find there is a difference of $250 a year between contracts covering ten miles. Let us go a little bit further and go to the 13-mile limit. Here are contracts of men driving 13 miles, over practically the same kind of roads—most of them dirt roads, as we say—both of them having the same conditions in the winter and the same conditions in the summer. Here we find a difference of $310 in two or three contracts.

That is not so bad. We now come to the worst ones. We first come to the contracts with regard to 14 miles. Here we find a difference of $360. You can take these and follow the thing along, but let us go to the case of a man driving 15 miles. Here is a difference of $690 on a mail contract. One contractor drives 15·2 miles. He serves 48 boxes and gets $875 making six trips a week. Another contractor drives 15 miles; the distance is a little bit less. He serves 46 boxes, two boxes less, and receives $1,565. He was shrewder in getting his contract through. That man, at $1,565, is not getting one nickel too much; but the other poor fellow is being gypped by the department to the tune of $690 a year and probably does not know it. I am not mentioning any names here because the department can easily turn them up and find out exactly who they are.

The same thing goes on with respect to contractors driving 16 miles. I am not going to tire you with too many of these but there is a $260 difference there. With respect to those driving 16 miles over a fair road, there is a difference in their contracts of $510. That is discrimination of the worst kind. Whether it is due to patronage, whether it is due to political influence or to the system of tendering I leave it to the department to judge.

Then we come to another case. that of a man driving 17 3/10 miles daily. He serves only 28 boxes and receives $930. His neighbour, on the next mail route, drives only 17 miles, serves 12 boxes more than the first man, and receives $1,440, or a difference of $510. These routes are within a few miles of each other.

For the benefit of the department, and so these facts will be on record, I should like to set out a few more cases. This refers to one man driving 18 miles. As a matter of fact there are four of these in Prince Edward Island, and there is a difference in their contracts of $600.

Let us take another case. One of these men drives 21 miles. As a matter of fact I think the actual distance is 21 2/10. I know the route very well because I have been over it lots of times. This man serves 42 boxes and receives $1,140. He makes six trips a week, and must travel over a bad road in the spring. The other courier drives 21 1/2 miles and serves 76 boxes, and for this receives $1,760, or nearly $600 more; and he does less work.

Then let us go on to another case. The first of these mail couriers drives 22 1/2 miles, serves 51 boxes and receives $1,200, while his neighbour who drives four miles less gets $360 a year more.

That is your tender system for you! The worst of it is that the tender system is not entirely to blame. I think the department here in Ottawa is to blame for a good deal of it.

Then we find a much greater discrepancy when we deal with longer routes. I have in mind one man who drives 27 miles and another who drives 28. There is a great difference here, both in the service given and the number of boxes served. The man serving the greater number of boxes—I believe he serves 73—receives $1,440, while the other man who serves a lesser number and drives a shorter distance receives $2,200. As I said a moment ago, the man who is receiving $2,200 is not getting a nickle too much. I could go on to give the facts respecting others who drive 30 or 35 miles, but I believe the information I have given is sufficient to indicate to the minister that there is great discrimination here.

I have a further criticism to make of the Post Office Department. Only a short time ago a contract was up for tender. This was in connection with a 15-mile route. The man who had held the job threw up the tender because he said he could not make it pay at that price, and he had no help on his farm. I believe the amount received was $1,550. This man went to his neighbour, who had plenty of help, and the neighbour said, "Yes, I will take it off your hands, if I can get it." The department said, "No,

you cannot have it; we have to call for tenders." Tenders were called for and, in order to be sure he would get it, this man put in a tender for $1,525, and felt sure he would get it. He received no notice that his tender had not been accepted. However, a short time later he received notification to this effect: "No; we are going to get someone else to tender." They called for tenders over again; and in doing this I believe they were acting outside the law, because they went to another district and brought in a man from there. I have always thought that was against post office regulations. How this man who got the tender knew what the other man had tendered, I do not know. However the second man tendered at $1,200 and, naturally, he got the contract.

If the Post Office Department here in Ottawa would look into these cases and not try to save $10 or $15 a month on these poor mail couriers I believe it would be much better. They should ask themselves this question, "Has this man who is tendering given us good service?" If that were done I think we would get down to a basis under which these men would be properly paid, and when they meet one another one would not say to the other, "I am driving the same distance you are, but you are receiving $500 a year more than I." Yet in the face of this discouragement these men are as honest as the sun. Throughout the length and breadth of this country we hear of very few cases of mail couriers getting into serious trouble.

I have spoken on behalf of the mail couriers because I feel sure the new Postmaster General will give us an opportunity to take up this matter. I have confidence that hon. members will put a plan before the department that will be workable and fair, and do away with this discrimination.

I have one further point to discuss, and then I believe I shall have finished. Some time ago I discussed with the department the superannuation of personnel of the naval or air forces serving in the Korean theatre of war. The question has been asked whether their military service would count on their superannuation, and in this connection I have received several letters from the department. The deputy postmaster general wrote me on March 24, and still the question is not settled. I believe that with the assistance of his deputy minister the Postmaster General will soon have the matter disposed of. I understand treasury board is blocking the efforts being made. Those who enlisted in the Korean force should receive a square deal in respect of their superannuation, and a decision as to who should pay it.

Then I have one further point to raise, about which I have spoken before and received a partial promise. I refer to the stamp vendor in the post office at Charlottetown. This person has been there for 52 years, under agreement with the Post Office Department that a 2 per cent commission would be paid on all sales in the post office and on all stamps sold in the Charlottetown area. He was able to make a fair living on that 2 per cent, but then the department put in these meter machines which take away 50 per cent of his revenue. They are wonderful machines for business; I have no objection to them, but this man should be compensated when they are used.

Mr. Gibson: Is there any other deal like that for vending postage stamps?

Mr. McLure: I could not tell my hon. friend.

Mr. Gibson: Perhaps the Postmaster General will tell us later.

Mr. McLure: This man has had this contract with the department for 52 years, during which he has given wonderful service. He must work from eight o'clock in the morning until eight at night, though I understood recently they were going to cut off twenty-five or thirty minutes from the day, no rest period, no meal hour, as he had to employ somebody to sell while he was out.

If you figure this up on the basis of the eight-hour day worked by others you find that this man has given 76 years of service. He is now around 80 years of age and the department tells him that he must get out. But they cannot turn him out because he has given good service. Before I left home I said to him, "Don't let them push you out, whatever you do; if you can just make ends meet, go ahead and stay there".

If the law enters into this matter this man should be able to sue the department. He should be able to get a fiat, as the hon. member for Lake Centre would say. There is not a judge in the land who would not say he should be paid for the business the meter machines have taken away. I am sure the Postmaster General would agree with that. When he looks into the matter I hope he will say to himself, "If I were in that position I would not stand for it; I would try to get back at the government so I would get a rate under my contract which would give the return it gave before I had these machines as competition". He applied to the department and asked that he be given 3 per cent on his sales, which would just about equal what he was losing because of the meter machines.

There are many other things that could be taken up with the minister, but as the hour is late and we are all anxious to see the session close I conclude by asking the Postmaster General and his officials to take notice of what I have said in regard to our post office. They must not forget that we just want back the right we obtained under the agreement of 1873 when we joined the Dominion of Canada. We did not join as a bloc of land; we went into the dominion as a self-governing colony. We had a good government, too. The only mistake we made was to go into union without having a better contract. The contract we entered into has never been fully lived up to. Let us go back to first principles and treat Prince Edward Island as a postal unit as it was before this division occurred.

Mr. Anderson: Mr. Chairman, I should like to say a few words on behalf of the rural mail carriers of Canada whom I believe are the most poorly paid of any people in the government service. These contracts are let by tender, usually for three years, and these people must travel every working day in the year with the exception of statutory holidays. They do not get three weeks holidays with pay as do others in the service. As the previous hon. member said, if they want to take a day off they must get someone else to take their place.

Quite often these men can do no other work. The nature of the rural carrier's work is not such that he starts at seven in the morning and finishes at noon; he generally starts in the forenoon and finishes some time in the afternoon. There is not enough time left in the day to permit him to engage in any other work and the result is that this is his only income. I would appreciate if the minister would give this matter his full consideration.

Mr. Coldwell: Mr. Chairman, I want to join with others in the pleas that have been made on behalf of the rural mail carriers. Those of us who live on the prairies and have seen the rural mail carriers driving week in and week out along prairie roads, whether it be hot or whether it be sub-zero weather, realize that the inadequacy of their remuneration constitutes a scandal as far as parliament is concerned.

This is my 21st session of parliament; and back over the years, with the exception of special sessions, hon. members have joined together from all sides of the house to make a plea on behalf of the rural mail carriers. Yet so far nothing satisfactory has been done for them. As the hon. member for Queens said a few moments ago, the contract system sets one man against another. They underbid, particularly when times are bad. When times are good it is quite often difficult to get people to do this job at all.

There are two kinds of mail carriers. There are those who drive through the country to deliver mail at the boxes along the way, or who convey mail from depots to points not served by mail. Then there are those who take the mail from the depot to the post office. In my travels I have run across cases of postmasters who receive pitiful pay and commissions but who in turn provide premises for the post office. Sometimes they are quite unable to make ends meet. Then someone else would be given the contract to carry the mail from the post office to the station. They are also unable to exist on the amount of pay for that service, whereas if the postmaster in some of these places also carried the mail from the station to the post office and received the remuneration for that as well he would at least be getting a little more than he is receiving now. I am not suggesting that men who have been carrying the mail from the trains to the post offices should suddenly be removed from these positions, but I do say that as opportunities arise the Post Office Department should consider consolidating these two services, which might well be a single service performed by one individual, and paying more adequately therefor.

I want to join, as I have joined on numerous occasions in the past, with those on all sides of the house in expressing the hope that if a committee is established and the matter is gone into thoroughly it may be possible to devise a plan. I know it is a very difficult problem because distances, conditions and so on differ, but I think we can devise something better than cutthroat competition under the tender system which often means that the person who gets the contract performs the service for very inadequate remuneration.

I join with others in making a plea for better conditions for the rural mail carriers, and may I also say for those who carry the mail in the cities. I know that in the cities the hours are sometimes long. The men go on duty early in the morning to sort the mail for the various districts and their own areas, and sometimes it is well on toward evening before their work is done. I think we should try as far as possible to work out satisfactory conditions for those who are employed in carrying the mail, whether it is in rural or urban areas.

(Translation):

Mr. Robichaud: Mr. Chairman, if parliamentary procedure allows a new member of parliament to offer his congratulations to a new Postmaster General, I wish to do so with all my heart. Mr. Minister, the congratulations I extend to you this evening are not the result of a general formula. These are fraternal congratulations I bring to you, for they come from your Acadian cousins. Although they did not know you personally, they had heard a lot about you. It is therefore with pleasure, Mr. Minister, that I bring to you, on behalf of my compatriots, a fraternal message and that I extend to you the congratulations of my fellow citizens from New Brunswick.

Mr. Chairman, it is fortunate, at least in so far as the affairs of my county are concerned, that a new minister should head the important Post Office Department. As I anticipate friendly relations and sincere co-operation between the new Postmaster General and the new member for Gloucester, I believe I can also anticipate effective results.

Tonight, I want to submit to the Postmaster General three specific and concrete cases concerning Gloucester county.

First, Mr. Chairman, there is the case of the post office at Petit Rocher, in Gloucester county. May I draw the Postmaster General's attention to the fact that Petit Rocher is one of our large Acadian parishes on the shores of Chaleur bay, some twelve miles from Bathurst. On June 18 last, I placed a motion on the order paper, requesting a copy of all correspondence, telegrams, reports, and petitions sent to the department in connection with the opening of a central post office at Petit Rocher. I have not yet received that information.

As I know that district very well, I take the liberty of drawing to the minister's attention the fact that for the past several years the people of Petit Rocher, at the initiative of the parish priest, the chamber of commerce, industrialists and merchants, have been requesting that something be done to remedy the unfortunate situation prevailing in that village. The post office is located at one end of Petit Rocher, while the church, the rectory, the station and the wharf, near which stand a lobster-packing factory and a cold storage, stores, the co-operative, the office of the credit union, in one word the very centre of the village, located within a radius of approximately half a mile, is far away from the post office. The result is that the people are asking for, and rightly so, the establishment of a central post office in the centre of the village of Petit Rocher. Therefore, as the representative of those people, I beg the new Postmaster General to receive their request with sympathy and I do hope that he will give his immediate attention to this matter which has been kept in abeyance for years in the department's files. I thank the minister in advance for his kind attention.

The second matter I want to bring to the attention of the minister is in connection with the post office at Shippegan. In January last, this post office was declared vacant and applicants were sought to fill the post.

I have here in my hand the civil service commission's requisition, dated January 25, 1952.

Mr. Langlois (Gaspe): You mean a competition?

Mr. Robichaud: Yes, a competition. On March 3, 1952, certain people interested in this competition were advised that it had been cancelled. Now—and I hope I am in order in doing this—I would like to ask the hon. minister whether he is in a position to give me all the details concerning the post office at Shippegan.

First of all, what were the reasons for advertising a competition for appointment of an employee in that post office? Second, why was this competition cancelled? Third, what is the present status of the present post office attendant at Shippegan?

In brief, I would like the hon. minister to tell me if the policy of his department consists in retaining the services of an assistant to the postmaster of a large rural community like Lameque on Shippegan island, whose people have been demanding that their postmaster be given an assistant.

Mr. Chairman, those are the three questions I wanted to put to the Postmaster General. I hope that he will provide me, before it is too late, with the information I require.

(Text):

Mr. Low: Mr. Chairman, I do want to take just a minute or two to add my voice to those who have spoken on behalf of the rural mail couriers. As I travel through the great north country I hear a great many complaints about the contract system of tenders, and I have received a good many suggestions. Many of the mail couriers feel that it would be wiser if in the office of the divisional inspector some committee might be set up to assist the inspector to consider each mail route on its merits and allot some definite charge per mile for the carrying of the mail on those specific routes. The charges would have

to be adjusted or reviewed from time to time; but it does seem possible that a committee might be used by the inspector in his central office to make some satisfactory arrangement without having to resort to the tender system which, as has already been shown, militates against the faithful people throughout the country who have done a good job for so long. I just ask the minister if he will not consider having some arrangement adopted whereby the tenders can be done away with and a better system set up to recompense the people who carry the mail.

I also just want to take this opportunity of telling the minister that I congratulate him on his succession to this very important position. I like the attitude with which he has started out on his career, and I am sure it will be a long and enjoyable one.

Mr. Darroch: With much that has been said about rural mail couriers I am entirely in agreement, but I do not know just how the department would get around the tender system. I suppose stated rates per mile could be worked out, but I imagine if they were changed and no tenders called we would hear charges of political interference and patronage. I certainly would not want to see the matter given to the civil service commission because it would not be very long before they would be demanding that a person have a couple of years in a recognized university before they could apply for the job.

The hon. member for Wellington South expresses what I think is a good idea as far as rural mail couriers are concerned and I think there is another matter that concerns people in rural communities with respect to mail delivery. It is that there should be a realignment of rural mail routes. Most of the present rural mail routes were laid out in the days of the horse and buggy and before the day of the plowed road. I think consideration will have to be given to rearranging a majority of the routes.

I want to say this for the department, that any time I have asked them to put an extension on a route I have been fairly successful—

An hon. Member: You have been lucky.

Mr. Diefenbaker: You must be persuasive.

Mr. Darroch: It must be my approach.

The Chairman: Order.

Mr. Darroch: On one occasion recently I was asked: Do you think we should give rural delivery to every farmer? I said "yes", and I still think that. I certainly would not agree with the hon. member for Wellington South and the fair and hon. member for Hamilton West on their suggestions to the minister that he inaugurate twice a day deliveries in the cities. Before I could agree to that I would suggest that rural mail routes would have to be rearranged. I think people in towns and villages of 1,000 population and over have a right to one delivery a day before their city cousins go back to two a day. I use the figure of 1,000 and over because those of you who know the conditions in rural Ontario, and I suppose they are general throughout the country, know that in urban municipalities of 1,000 and over quite a number of people probably have to go a mile to the post office and a mile back for their mail. I think before people in the cities are granted delivery twice a day these people have a right to some consideration, and I would urge the minister to give this his consideration. Perhaps something can be done about it by the time another session rolls around.

If people want special delivery they should be willing to pay for it. I think these special delivery rates are quite reasonable for the service given.

There is another matter that is peculiar to the district from which I come and about which I would like to make a few suggestions to the minister. It is proposed to have a change in the rail service from Palmerston to Kincardine and from Palmerston to Southampton. This of course will mean a change in the method of mail delivery. I believe the proposal is to carry the mail on trucks. We know they did that for a period during the railway strike, and I think probably as a result of that experience the department are prone to believe that it would be more economic and satisfactory to deliver mail to that district that way than to use the trains. But I would point out to the department that there is one very peculiar thing about our district. It is that we have a lot of bad weather and bad roads.

At the time mail was delivered on trucks—and I quite agree a fairly good service was given though only first-class mail was delivered—it took place in September under ideal weather conditions. Those conditions will only prevail for six or seven months of the year. I do not think I am wrong in saying there are at least five months of bad weather in our part of the country. I also believe they took a traffic and weather census this winter, and as a result of that census they found the roads were open for a great majority of the days. Again I would point out to the department that it was an exceptionally favourable winter for that type of census. From my own experience, and I have spent over fifty winters in that district,

too many of which I have vivid recollections, I am sure we cannot expect to have weather like we had this winter every year.

I would suggest to the minister that perhaps his department should join with the municipalities in their protests to the transport board against the C.N.R. discontinuing this service. I am quite satisfied that mail delivery will not be as satisfactory as it is under the present set-up. As I think I properly pointed out on a previous occasion, we are putting the service on rubber and gas both of which might become scarce at any time and be needed for something perhaps more in the interests of the country than this particular job. We are still going to have the rails there; they are going to continue giving freight service; and I suggest to the department that perhaps they should give this further consideration before acquiescing to the suggestion of the railroads on this change in the mail service.

Mr. Green: When the minister answers the various questions that have been raised I would be very grateful if he would let the committee know what progress has been made in arranging for postmen in the cities to work a forty-hour week and get extra pay for their overtime. I know that in Vancouver there has been a great deal of difficulty about this problem, and I believe the system adopted was to allow a man who works overtime to have time off on a later day. However, that did not work out very well either, because I know some of them had to wait many weeks in order to get this extra time off. It does seem to me a wiser way of handling the situation would be to provide for overtime pay where men are required to work extra hours. I hope the minister will deal with that point, and also the question of putting the postal staff on a forty-hour week.

Mr. Larson: I know the minister has had the salaries paid to rural mail carriers brought to his attention from many quarters. They are not satisfactory. The whole problem is that costs are going up, and it seems difficult to get mail carriers to serve the routes that have been in operation for some time. I appreciate that it would be rather difficult to settle this matter, but I am pleased to hear that the minister has decided to set up a committee to look into the question.

Mr. Fulford: I do want to congratulate the minister upon his appointment. At the outset I want to say how pleased I am that this year there has been no campaign to abolish the small village post office. I have had that worry in past years, but during 1952 there has been no such campaign and I trust the Postmaster General has been somewhat responsible for that.

I should like to say a word in commendation of Mr. George Herring, who was recently superannuated from the position of director of communications. I always found Mr. Herring most co-operative, most attentive and most reasonable. While I am on the subject I should like to say a word about Mr. L. J. Mills, who I believe is on loan from the treasury branch of the Post Office Department. I have found him almost equally attentive. I say "almost" because Mr. Herring had the job for so long and knew the ropes so well it is hard for anyone to take his place, especially on a temporary basis.

I should like also to join with those who have spoken about the predicament of the rural mail carriers. When I say "predicament" I mean it in its literal sense. It is a terrible system, and one that should be rectified as soon as possible. I have been hearing about it ever since I have been a member, and I hope I do not have to hear about this abominable system very much longer. We all hope some system will be devised which will be equitable to the rural mail carriers.

In conclusion I should like to say a word about a system which has been inaugurated by the civil service commission; that is the system of bringing outsiders to class I and II post offices. I think it is a bad thing for a man to have to move from one community to another as postmaster. When a man tries the civil service examinations and passes them, then goes into postal service in one post office, he should remain in that particular post office. His final reward for efficiency ought to be the postmastership there. I certainly do not agree that a man should be moved from one community to another and given that position.

Mr. Graydon: I should like to raise my voice with respect to postal facilities in my own area. I suggest the minister should inform the committee concerning the situation at Streetsville, Ontario. It is a rapidly growing community in the county of Peel and, as the minister and his predecessor know, representations have been made by myself and others locally for a new post office. I understand those representations have now been considered, and that some move is to be made with respect to improved postal facilities. First I should like the minister to indicate to the committee at the appropriate time the type of improvement in the postal

service that the patrons of that post office may expect in the near future.

May I also make representations to the minister in connection with the postal facilities in the county town of my constituency. The town of Brampton has had the same post office since about 1890, if my recollection of its history is correct, though I am afraid I cannot remember personally that far back. Since that time the town has grown, during the last few years particularly because of the rapid expansion in industrial developments and business generally in that part of Canada. The postal facilities there need improvement. The post office building in Brampton also houses the customs and excise branches of the Department of National Revenue. All these departments are finding the accommodation rather cramped. The need for a new public building in Brampton is very great.

I am going to ask the minister if he will take into consideration the representations that have been made, and which I am making again now, for a new public building, either for the post office itself or one to house the post office and the offices of national revenue. If the minister looks into the situation he will find this is not an improper request to make. The population of the town has almost doubled in the last fifteen years, and the post office facilities are not capable of great expansion. For that reason I believe he will find that a new public building would be in the interests of the departments involved as well as the interests of those whom a public building would serve. Will the minister, at the appropriate time, answer the question as to whether or not there is some possibility of a new building in the near future to give improved postal facilities to that town? I should be pleased indeed if he could give full particulars about what is proposed with respect to these facilities, and the moves that have been made up to date in that connection.

Mr. White (Middlesex East): I shall detain the committee for only a moment. Along with many others, I want to extend my congratulations to the Postmaster General. I am sure his appointment has met with the approval of all members of the house, and we all feel he is going to be very co-operative in the discharge of his duties.

There are just one or two things I want to mention. The tender system has been discussed, so I shall not say any more about it. I should like to say a word about the rural delivery of mail. Today I received a letter from the department concerning applications for the extension of two mail routes. I wonder how the member for Wellington North was so successful. I think I shall have to have a little talk with him. In the one case the applicant lived two-tenths of a mile from the route, and he was too near. The other two people on another road lived seven-tenths of a mile away and they were too far. You might be able to tell that to some people but not to me.

I hope that situation will be reviewed. While the basis of delivery may be two to the mile, or whatever it is in Ontario, I understand that in some other provinces they do not need to have as many. In this day and age of fast transportation, let us try to profit by it. Someone said the rural mail routes were established during the horse and buggy days. With modern transportation let us now try to extend rural mail service to as many people as possible. Let us not be too rigid about the rules. In suburban areas and in those areas around the cities that are growing fast, there is probably some difficulty. In some areas sidewalks are not down and they are finding some difficulty in getting mail delivery. I hope action can be speeded up in some cases. I think that is all I need to say at this time. I hope that the minister will co-operate.

Mr. Diefenbaker: Mr. Chairman, I am not going to repeat anything that has been said with regard to rural mail couriers. Since coming to the House of Commons I have heard this story over and over again. Indeed, if you read the debates year by year on the post office estimates, you will find that they are almost prototypes and complete repetitions of those in previous years with regard to the demand that something be done toward providing a system that is fair to the mail couriers in place of the present obsolete system which in so many cases denies fairness and justice.

I rise not for the purpose of joining in the demand that something be done in this regard, because I have practically given up hope that anything will be done inasmuch as the mail couriers have not many votes. That fact apparently is one of the reasons why over the years nothing effective has been done to meet their demands. I rose for the purpose of bringing to the attention of the minister the situation in the city of Prince Albert, which is a city of some 17,000 and which I think has the worst air mail service of any city in Canada. It serves the northern part of Saskatchewan, including that new area being opened up in the uranium fields and also the other basic metal fields. Yet within the last few months the air mail service has been reduced to a minimum. Indeed at the present time the air mail service consists of only 14 mails for every 24 days.

Since I came into the house I received a letter which was written by the Prince Albert board of trade and which requests reconsideration of a situation that is a denial of fairness to a city the size of Prince Albert. In this letter it is stated that during the period from May 25 to June 21 the total number of air mails into Prince Albert was only 14. Canadian Pacific Air Lines operate into Prince Albert and have a daily service, except for Sundays, in and out. This letter from the Prince Albert board of trade states in part as follows:

> . . . we feel that postal officials themselves will now agree that for a city of this size serving a large territory in this province, the above calibre of service cannot be termed adequate.

Apparently the hon. member for Prince Albert had taken this matter up, for the letter states:

> . . . the board of trade would appreciate every effort being made to convince authorities that the previous service should be reinstated immediately in order that businessmen in this city and citizens generally may enjoy similar postal service prevailing in all Canadian cities and many centres of smaller population and less importance.

I know what the situation is in Prince Albert. That is my home. The mail service is totally inexcusable. The air mail service, which consists of 14 air mails delivered during the period of about a month, denies that communication without which business cannot be properly done today. The letter goes on to state:

> . . . the expansion of this city during recent years and the expansion of the territory which it is serving, does not coincide with the reasoning of the post office department that mail service need not include full-fledged air mail service.

I make this appeal to the minister. I realize what the general answer is, namely that there is a saving in expenditure. That is true; but surely there should not be a saving effected at the expense of reasonable service for a city the size of Prince Albert which serves a vast area east, west and north; and the northern section in particular reaches about 400 miles north of Prince Albert. I ask the minister to reconsider the decision made some two or three months ago to reduce that air mail service, and to reinstate that ordinary mail service which all of us today, almost everywhere in Canada, have the right to expect, in particular those living in cities serving a large area such as Prince Albert.

There is one other matter I want to mention also. Various members have extended their felicitations to the minister. I did that personally and most sincerely. Since he has been minister it has been possible to approach him or his department and be assured of reasonable consideration of reasonable requests. That is something worthy of mention. When matters are brought to his attention, I have found that they are not shelved for future consideration, but that one receives a reply that the matter is being considered. One does not always expect the consideration to be favourable, but one does appreciate the situation when there is a minister who gives an immediate reply and who not only promises to look into the matter, but does so.

I point out to him this fact. Under the law, with respect to the appointment of postmasters there is a soldier preference or a service preference. I have received information—and I have offered the most strenuous objection on more than one occasion—that where appointments of postmasters have been made, in cases where those qualified were living in the neighbourhood, for some reason or another appointments were made outside of the preference. I impress upon the minister that if he is to receive from members of the house co-operation equal to that which we find we are going to receive from him, the soldier or service consideration that assures the appointment of servicemen must be maintained.

With those few remarks I am going to resume my seat. I join with the previous members in again repeating the request that something be done for the mail couriers, and also once again repeating what has been said on earlier occasions that, after all, the Post Office Department is one department where profit should not be the sole consideration. Profit is not the reason for the setting up of the Post Office Department; it is service. And it is in that spirit that I ask for consideration for the city of Prince Albert and the area served by it.

Mr. Bryce: Mr. Chairman, I should like to bring to the attention of the Postmaster General the situation with respect to my home town of Dugald. I would point out that 25 years ago we had a better mail service than we have today. At this time we receive our letters Friday morning, and do not receive anything further until the following Monday. When the minister goes to the west I hope he will spend a couple of days in Winnipeg, and that he will get back for us the service we had 25 years ago. It would certainly be appreciated.

Mr. Drew: I should like to refer to one subject raised by the hon. member for Peterborough West, who made reference to the use of the mails by the Canadian peace congress. In response to that statement the Postmaster General explained that it was

difficult to determine what was inside an envelope, or to take action in regard to anything that might be handled in a sealed envelope.

I wish to refer to this because the regulation which would govern a case of this kind has been discussed in the house at some length on earlier occasions. It arose earlier, not in connection with the use of the mails for communist propaganda; the discussions on the occasions to which I refer related to a denial of the use of the mails to certain organizations and individuals, either in connection with stock-selling activities, lotteries or things of that kind.

Because of the answer by the minister this evening I should like to refer back to what was said at that time. There are two regulations which have a direct bearing on this matter. Although they are now numbered 347 and 348, at the time this subject was under discussion they were numbered 204 and 205.

When this was being discussed and some question was raised as to the propriety of denying use of the mails to individuals in connection with lotteries and activities of that kind, and particularly the directions given affecting individuals who might be associated with such lotteries, the Minister of Justice, as reported at page 2335 of *Hansard* for May 9, 1950, said:

> The statute calls on the Postmaster General to refuse the use of the mails to persons whom he reasonably suspects of using the post office facilities to defraud the public. The only question is whether the Postmaster General had reasonable grounds for his suspicion. From the facts when they are disclosed I think you will have to agree that the Postmaster General did have good grounds for his suspicion.

The regulation to which I refer covered fraud in connection with the handling of securities or lotteries, or other matters of the kind; the section 205, which is now 348, contains this provision—and I am omitting the words that relate to other subjects—

> It is forbidden to post for delivery or transmission by or through post any publication, matter or thing of a seditious, disloyal or scurrilous character.

The remarks of the Minister of Justice, therefore, will apply with equal force to anything that could be described as seditious, disloyal or scurrilous. Then the Minister of Justice, as reported at page 2337 of the same date, had this to say:

> The point which the Postmaster General must decide is the simple one of whether or not there are good grounds for suspecting that postal privileges under the Postmaster General are being abused.

The subject under discussion then was the denial to a number of organizations of the use of the mails. I should like to quote from what I said on May 16, 1950, as reported at page 2528 of *Hansard*. At that time I was discussing the monthly supplements of the Canada official postal guide which contained the names of the organizations and individuals against whom orders had been made by the Postmaster General.

> I see just on these two pages in front of me in this single supplement the names of branches of the Legion, of a religious order, of a teachers' organization, of an insurance company, of a labour organization, of a curling club and of an athletic committee—and the names of a number of individuals. Then under these orders are these words:
>
> "Registered letters are not to be accepted addressed to the above, and all mail addressed to or coming from the above is to be intercepted and sent specially by first mail to the administration branch (for the dead letter office)."

I submit that if it is appropriate for the Postmaster General to issue orders against branches of the Legion, religious orders, teachers' organizations, insurance companies, labour organizations and groups of that kind, whose activities in the ordinary course of events are not only lawful but highly commendable, because they may infringe some of the provisions of these regulations, then it just is not within the bounds of common sense that orders should not be made restricting the use of the mails for seditious and disloyal material of the kind to which we have referred earlier today.

Here I have only a few of the things that have come in recently from this disloyal organization known as the Canadian peace congress. I do not wish to appear to be obsessed with the activities of this one organization. I have, however, indicated my own belief that under proper legal provisions and fully in accordance with our conception of impartial justice steps should be taken to deal with people whose one purpose is to undermine the spirit of our people in their efforts to resist communist aggression, whether from the military point of view or through propaganda within our own country.

No more disloyal, seditious and scurrilous publication has been circulated through the mails of Canada than this publication I hold in my hand under the title "I Accuse" which claims to have been prepared by this man Endicott. Nor is it confined to things of this kind alone. As is known generally to members of the house, this shameless man, this man who uses our very broad freedom to try to undermine the efforts that are being made by Canada, along with the other free nations, to take a stand against communist aggression, not long ago attempted to create the impression that certain nuns, some of whom were Canadians, had been responsible for

the death of Chinese children. That vile slander, issued first by the Chinese communists and repeated by these jackals for the communists, is the kind of thing that is going unchecked and is being distributed.

The Minister of Justice made it clear that it is not the intention of the Department of Justice to take action under the provisions of the Criminal Code relating to treason and sedition, but the same Minister of Justice has made it abundantly clear that he believes it is not only competent for the Postmaster General to act under sections 347 and 348 of the postal regulations, it is the duty of the Postmaster General to act if he has reasonable grounds for believing that any organization or individual is using the postal services for the distribution of disloyal or seditious or scurrilous material.

What can young Canadians in uniform in Korea at this time think of a situation of this nature? What can they think of our tolerance of these carefully calculated efforts to undermine their confidence in what they are doing? Many of these young men in the battle line have died and others have been grievously wounded in the defence of this and all other free countries against this vile doctrine and the aggression which is carried on in its name. How can we tell them that it is appropriate for the postal regulations to deny to Legion branches the use of the mails where perhaps with complete sincerity but not in strict conformity with the law they may be conducting lotteries, and at the same time these people who are serving only one master, the master against whom these men are fighting on the field of battle, are permitted to use our mails at the general expense of the public of Canada to distribute their disloyal, seditious and scurrilous propaganda.

I know that the Postmaster General was not the Postmaster General at the time this subject came up earlier for discussion. I wish in all sincerity to join with those who have complimented him upon his elevation to this office. I agree with what has been said about the indication he has given of his desire to deal with the problems that are placed before him; but may I say that if in the light of the decisions already announced in this house by the Minister of Justice, to whose opinions he referred on an earlier occasion, it is correct—and I make that qualification—for the Postmaster General to act in accordance with the opinion of the Minister of Justice in relation to a relatively unimportant activity, then the time is long overdue for vigorous and positive action to prevent the use of our mails for these seditious purposes.

[Mr. Drew.]

Mr. Cote (St. Jean-Iberville-Napierville): Mr. Chairman, I want personally to express my sincere appreciation for the kind expressions that have been uttered about the Postmaster General and the department. I can assure all hon. members that I shall do my best to give the information requested and to solve the problems which come before me. I will not have time to deal fully with all the questions that have been asked, and which I think can be divided into two parts.

Reference has been made to the rural mail couriers. I would refer hon. members to the declaration I made previously that a committee would be set up at the next session. I know there are problems created by having these contracts let by tender. In that way a contractor selects his price but once he has the contract it is possible that complications may arise. A departmental committee has already made many suggestions which I shall be glad to place before the committee so they may be studied by the members. I only hope, as has been suggested already, that a proper scheme satisfactory to all will be worked out.

I shall try to answer some of these specific questions as briefly as possible. I do not know all the details of the case referred to by the hon. member for Battle River, but I shall look into the matter and advise him. The hon. member for Hamilton West asked a few questions and made a few suggestions. I would direct her attention to the fact that the economies that were effected were offset by the extra payments that had to be made in connection with railways and mail contracts. We have also had two increases in the salaries of postal employees, and additional services are being provided.

An hon. member wanted figures about overtime that had been paid. The payments in 1951-52 for this purpose amounted to $1,981,700 and the estimate for 1952-53 is $2,100,000.

Reference was made to the rates on gift parcels to Great Britain, and in this connection I would refer the hon. member to a statement which was given on April 3, 1952, which appears in *Hansard* of that date. I shall not repeat that statement tonight. I might say that Great Britain asked that the higher rates be made effective in October, 1951, but we were able to persuade them not to increase the rates until after the Christmas season. These rates are based on arrangements between both countries; we made concessions and they made concessions. When Great Britain decided to do away with these concessions we inevitably had to let them do what

they wanted to do, and that is why the only success we had was in delaying this change in rates for a few months.

So far as this point is concerned, I think I should probably give this further information. Parcel rates are based on the following three factors: first, cost of handling in Canada; second, cost of sea conveyance; third, terminal payment for delivery in Great Britain. Domestic parcel rates in Canada were increased in the summer of 1951. These basic increases are reflected in the rates on parcels to Great Britain and other countries. Payment for sea conveyance is determined by the steamship company. The terminal charges paid the British post office for handling and delivery of parcels after they have reached a British port are fixed by the British post office.

Effective April 1, 1949, arrangements were made with the steamship companies and the British postal administration for the acceptance of reduced charges for gift parcels. It was therefore possible to offer cheaper postage rates. In the fall of 1951 the British post office advised that the cost of handling and delivery had so increased that it was not only necessary to increase normal parcel post rates but also to abolish the preferential rates which hitherto applied to gift parcels. The special sea conveyance rates which had been charged for gift parcels were withdrawn on April 1, 1951, and when the reduced British terminal charges were also withdrawn it became necessary to increase the parcel post rates to Great Britain. This was made effective from January 1, 1952.

I think it is only fair to say that because of the circumstances the authorities in Great Britain found it necessary to cancel the arrangements they had with us at the time and that is why they as well as we had to make other arrangements.

Mr. Lennard: Carried.

Mr. Cote (St. Jean-Iberville-Napierville): I am ready.

Mr. Lennard: I thought you were going to sit down.

Mr. Cote (St. Jean-Iberville-Napierville): I just wanted to give the information requested. The hon. member for Queens talked about a deficit.

An hon. Member: He is not here.

Mr. Cote (St. Jean-Iberville-Napierville): I might say that although it may appear there was a deficit in 1950-51 we did not have a deficit because we had paid increased rates to the railway companies which applied not only for that year but for previous years. I think I can conclude by saying that I will take into consideration all the questions that have been put to me tonight. The hon. member for Peel raised one question, but I will send him the information he asked for. I know he will be satisfied. So far as the questions asked by the hon. member for Gloucester are concerned, I will write giving him the information he has requested. I may tell him, as well as all other hon. members, that I will do my best to satisfy them in answering their questions and will try to solve their problems as best I can.

Mrs. Fairclough: With respect to the matter of overseas parcels, I can well understand that the United Kingdom government could not make concessions in the matter of postage because of the very limited number of their own citizens who would benefit by the receipt of these parcels. However, I do not think that is an argument that applies here in Canada, where so many of our citizens have interests in the old land. Therefore I would urge the Postmaster General to take this matter into consideration and pursue it still further.

Item agreed to.

313. Transportation—movement of mail by land, air and water, including administration, $40,542,048.

Mr. Applewhaite: This item refers to the transportation of mail, and according to the particulars some $9,500,000 is for transportation by air. Under ordinary circumstances I would have liked to speak on this item at considerable length, but I shall show more mercy to the house than has been shown by several hon. members during the past couple of weeks. However, I am going to take time to say with respect to air mail services on the west coast that I and the people on the coast have great reason to express appreciation not only to the Postmaster General but to his deputy for the consideration, sympathy and understanding that have been shown. In brief my plea at this moment is that the Postmaster General give serious and, if I may say so, prompt consideration to the installation of airmail service to these points particularly, Ocean Falls, Kemano and Kitimat on the Pacific coast which are not now receiving that service though they are served by regular twice a week air service. The development in that area and the need for increased service would justify me even at this stage of the session in talking about it for ten or fifteen minutes, but I am not going to do so. I am merely going to leave that request with the Postmaster General because I feel sure if he will investigate, even in the most cursory manner, the increased needs that have arisen in those areas he will

find that this plea is very well founded, and at the same time—

An hon. Member: Carried.

Mr. Applewhaite: The hon. gentlemen opposite who mutter "carried" might well have remembered over the past weeks that there were other matters to come before the house besides those in which they took such a long drawn out interest. I propose to finish my remarks, and if they suggest that I am taking longer than I am entitled to I shall say what I had originally intended to say. Before the interruption I was on the point of saying that I wished to add to my recommendation to the Postmaster General that at the same time and in connection therewith there might well be considered the provision of an air-mail system east and west between Prince George and Prince Rupert, a distance of some 488 miles, where there are now four or five usable airfields.

Mrs. Fairclough: Before we leave this item I think it might be well if we asked the Postmaster General if he has the answer to the question asked by the leader of the opposition.

Mr. Cote (St. Jean-Iberville-Napierville): I will be glad to refer my hon. friend to the statement I made before dinner. I might also add that if it is possible to find out where the document he mentioned is printed it would be possible to refer the matter to the authorities of the province where it is printed and action might be taken by them with respect to it. When items are in sealed envelopes the department can do nothing. The postal department is against censorship. As much as I might like to open an envelope addressed to the hon. member for Hamilton West and learn all her secrets, the fact is that it just is not done. It is most unfortunate, but it may happen that questionable documents are in sealed envelopes and they cannot be opened just to satisfy the curiosity of the Postmaster General or anyone else.

However, if it is brought to the attention of the Postmaster General that something is obscene or against the law respecting fraud or lotteries, then under section 7 of the Post Office Act, which reads as follows, action might be taken:

7. (1) Whenever the Postmaster General believes on reasonable grounds that any person

(a) is, by means of the mails (i) committing or attempting to commit an offence, or (ii) aiding, counselling or procuring any person to commit an offence, or (b) with intent to commit an offence, is using the mails for the purpose of accomplishing his object, the Postmaster General may make an interim order . . .

[Mr. Applewhaite.]

First it must be established that an offence has been committed or is about to be committed and as long as the proper legal authorities do not feel that an offence has been committed or is about to be committed the Postmaster General cannot act. Again I refer my hon. friend to what I said before dinner. We want to do our utmost to protect the public but at the same time we cannot violate the sanctity of the mail. We must protect the secrecy of communication of individuals using the mails.

Mrs. Fairclough: Well, in the first place I would like to assure the Postmaster General that so far as it is within her power the secrets of the member for Hamilton West do not pass through the mails. In the second place I might say that action has been taken, as the Postmaster General well knows, on many occasions, some of which have been cited by the leader of the opposition. It must be that the department has taken steps to discover what was contained in the covers which passed through the Post Office Department.

At this stage I do not propose to carry this matter any further, but I would ask the Postmaster General to take it under serious advisement. After all, the matter has been drawn to his attention not only now but on former occasions. I would ask him to take it under advisement and act accordingly.

Mr. Cote (St. Jean-Iberville-Napierville): I may say to my hon. friend that the way we find out that mail has been used for these purposes is because some of the letters reach the dead letter office on account of insufficient or incorrect address and we then open them. That is the only way we find out. We do not open letters when they are in the ordinary channels of distribution.

Mr. Gibson: I am sorry that I cannot spend a little more time in congratulating my very good friend the Postmaster General on his appointment, and also to express my appreciation to him and his officials for all they have done for me. I have always received very courteous and competent service from them.

The whole history of his department is one of development in transportation. It goes all the way from the smoke signal to the pony express, and then we reach the railway stage, trucks and finally aeroplanes. I think we are on the air service branch now. As the minister realizes Canada is very proud to have all-up mail service from St. John's, Newfoundland,

to Victoria, British Columbia. But it is unfortunate that when it reaches Victoria, British Columbia, it does something like the communist party does; it dives underground when it gets there.

We have settlements in my riding with 125 people employed, with planes landing there every day and planes passing over there every day, yet they have a mail service every eight days by steamer. I was looking up some figures from the dominion bureau of statistics the other day and, although I do not suppose the Postmaster General has had time to look up all these things during his short tenure of office, it seems to me the government has some chosen instruments for the carriage of air mail in Canada, and I know he will be interested in the figures. From the civil aviation statistics of the dominion bureau of statistics I found that 18 per cent of the revenue of the Canadian Pacific Air Lines comes from your department. Maritime Central Airways receive 11·2 per cent from your department. I then come to Trans-Canada Air Lines. Of course this really is a chosen instrument, and I appreciate why that should be so; but they get 15·4 per cent of their revenue from your department. Central Northern gets 8·1 per cent; Rimouski Air Lines—and I know your parliamentary assistant knows this line well—gets 5·6 per cent and they all appear to be chosen instruments.

However when we get out to the Queen Charlotte Airlines, the third largest air line in Canada, they are something like the plumber's monkey wrench and seem to be forgotten. Despite the fact that they are the third largest air line in Canada they only receive 1 per cent of their revenue from the Post Office Department. That is all you pay them for the carriage of air mail. I am particularly interested here, not in the company although it is a useful and worth-while company which serves my constituency; I am interested more particularly because they are the only people who can carry air mail in my riding.

I appreciate the consideration the minister has given this problem. I have presented it to him and I know he is giving it very careful consideration now. I think the mail service by air to the Comox airport is very well justified; but I would be particularly grateful if the minister would go into this matter and see if there are any further possibilities. We have planes landing there three times a day and everybody says: Where is the air mail? They look across the river at Powell River and see the smoke from the plant over there where they get two air mail services a day and they say: What is the matter with us? Is there something wrong with us? Do we smell bad, or have we the wrong member representing us?

Mr. Casselman: That is the answer.

Mr. Gibson: I am quite convinced that my good friend the Postmaster General would not let them have any misapprehension about that despite what the hon. member says, and I think I can count on him looking into this and giving it very serious consideration.

Item agreed to.

DEPARTMENT OF NATIONAL REVENUE

Customs and excise divisions—

302. General administration, $2,105,832.

Mr. McCann: I think perhaps that if I made a brief explanatory statement with reference to the division of customs and excise it might make it unnecessary to ask a lot of questions which would otherwise be asked. This will only take two or three minutes.

The estimates now before the house are intended to cover operations of the customs and excise division of the Department of National Revenue, which consists of some 215 customs-excise ports, approximately 145 outports and other offices, as well as the central administration.

This division administers the customs tariff, the Customs Act, the Excise Tax Act, the Excise Act, and portions of some forty other acts. The ports and outports are responsible for the examination and appraisal of imported goods; the assessment and collection of duties and taxes payable thereon; the assessment and collection of excise duty, excise taxes and sales taxes on domestic goods; the supervision of customs bonded warehouses and of licensed excise establishments, and the administration of the laws mentioned above and regulations made thereunder.

Through headquarters and the ports special branches are staffed to carry out audits, inspections, investigations, drawbacks and refunds.

During the last year the department collected, by way of revenue, $1,476 million, an increase of $250 million over the previous year. The estimate of revenue for 1952-53, as projected by the Minister of Finance, will be in the neighbourhood of $1,495 million. The expected increase for this year has already been reflected in the revenue for April and May, and the indications are that the customs and excise division will again see an increase in the volume of business.

International traffic appears to be continuing on the upswing, especially in the fields of trucking and tourist travel. Foreign vehicles entering Canada on travellers' vehicle permits in the month of April totalled 96,400, an increase of 12 per cent over the previous year, and a new record for the month. Traffic has been heavier in all parts of the country, with the largest gains occurring in Ontario and Quebec. The four-month total from January to April is actually 9 per cent higher than it was for the corresponding period last year.

This year's estimates provide for an increase over last year of $1,999,153. The larger part, in fact 95 per cent of this increase, or in other words $1,914,126, is required to cover the adjustments in salary occasioned by the general increase applicable to all government employees, and for the addition of sufficient positions to bring us up to the same strength as last year.

Apart from the need for additional seasonal officers, provision is being made for an essential increase in the excise tax audit staff and the customs appraisers. Both these branches are now overworked. An increase of 25 auditors is essential, both for protection of the revenue and for better service to the taxpayers by more frequent audits. Excise tax auditors average an annual recovery of some $20,000 per auditor, and assist the taxpayers in a fuller understanding of the tax regulations. Seven new customs appraisers will be added to the department to cope with the problem of investigation of foreign values, about which I spoke to the house in the course of discussion of the customs tariff bill.

Other votes which show an increase over last year relate to overtime and office and housing accommodation. Overtime, it will be noted, this year shows an apparent increase of $100,000 over last year. Actually the amount we are working for is $80,000 less than the amount we were required to expend last year. A substantial portion of overtime results from special services to the public and is recouped from persons so served. The moneys thus repaid to the government are placed in the consolidated revenue fund, and heretofore have not been credited against the departmental expenditures.

The department's estimate of amounts recovered is in the neighbourhood of $300,000 annually; therefore in the preparation of these estimates the amount of $300,000 has been deducted from the over-all vote for ports, outports and preventive stations so that, in effect, the department is seeking $500,000 for overtime payments, expecting that the balance of its requirements will be obtained from those to whom special services are rendered. The vote covering construction and the acquisition of land this year shows an increase over last year of $243,450. In this connection I would like to say that the projects envisaged for the coming year are projects which have been regularly deferred until they are now of some urgency. There still remains a long list of other such projects which, although desirable, must be deferred still further. It should be remembered that all during the war and the period that followed a close check has been kept on construction, despite the fact that the volume of business and the local demands for service have greatly increased throughout these years.

I shall be pleased to answer any questions that may arise in connection with any of these estimates.

Mr. Macdonnell (Greenwood): I do not propose to take the time of the committee in making any general remarks, and shall confine myself to plunging at once into questions. The minister has given us a broad picture of the situation, with figures that are relevant. I should like to ask him whether it will suit him, on this item or on item 306, to deal with one question which I think exercises the mind of the public a good deal, namely the question of smuggling and enforcement. I am anxious to get a certain amount of detailed information about that. Some time ago the question was taken up with the Department of Justice, and we had a sort of general assertion from the Minister of Justice that the situation was improving, which was not as convincing as it might have been. I should like the minister to give us a considerable amount of detail. We have only about fifteen minutes left this evening, and if he would prefer to deal with that first thing in the morning I would be prepared to leave it until then.

If that is his wish, I should like to turn now to one or two other questions. Perhaps the minister would indicate his preference now. Shall we proceed immediately with the question of smuggling, or would the minister prefer to leave that until the first thing in the morning?

Mr. McCann: I think probably we might proceed in the regular way, Mr. Chairman. The practice that has been followed under the first item, general administration, is that almost any questions may be asked.

Mr. Macdonnell (Greenwood): I am now asking a question, but I am in doubt as to whether the minister wants to proceed—

Mr. McCann: I am satisfied to have you go ahead with any questions you desire to ask.

Mr. Macdonnell (Greenwood): First of all I should like to know what the minister considers was the loss to the treasury last year from smuggling operations. He will recall what the Minister of Finance said in his speech on April 8, as recorded at page 1258 of *Hansard*:

> In the case of cigarettes only I had forecast an increase of $21 million and I experienced a decline of $1 million. There are of course a number of reasons for this decline.

There is also a statement which I shall read from a publication with which I am not very familiar, but which evidently went into this matter. It is the March 8 edition of *Weekend* picture magazine. I shall read from it quite briefly. This purports to give a picture of the smuggling situation:

> When the federal government raised the tax on a package of cigarettes to 25·2 cents last April (the U.S. federal tax is eight cents) and the cigarette manufacturers followed up with price increases to bring the cost of a package of cigarettes to 42 cents (46 cents with provincial tax in Quebec), the petty smuggler faded into the background along the border as the big operators gradually went into the business. The men who became rich in prohibition days and those who wished to emulate them saw their opportunity. They could buy a carton of cigarettes in Maryland, where there is no state tax, for as little as $1.59 from distributors. This same carton brought from $3 to $3.50 on the Canadian black market—as much as 120 per cent profit. Buyers were easy to find, for the same number of Canadian cigarettes cost $4.20 in most provinces and $4.60 in Quebec.
>
> Some idea of the quantities being moved surreptitiously into Canada may be gained from the fact that an R.C.M.P. patrol seized a cache of 970,000 cigarettes in a new three-ton truck on a farm near Coaticook last December 15. On the Canadian black market such a load is worth $14,550.

There is a lot more here I could read, but I do not want to lengthen these proceedings an unnecessary moment. I do want, however, to get from the minister what he considers the most significant facts. First of all I want to know the number of prosecutions and seizures which were being made prior to the change in the tax on April 8 last, and whether the minister has reason to think the situation has improved very greatly. Some opinions I have heard, though I cannot profess to have verified them, seem to indicate that the change is not nearly as great as one might expect.

I should like the minister to begin by telling us what he considers the loss to have been, in so far as he is informed; and second, the course of the prosecutions and police activity up until the time the tax was changed and since.

Mr. McCann: I shall admit, Mr. Chairman, that the matter of smuggling, particularly of cigarettes, has been a problem which has engaged the attention of the officials of the department, and given them considerable anxiety. If we go back a few years, I can give the total number of seizures. For the year 1951 there were 7,061. If we go back to 1945, we find that there were 2,697 seizures. It has gone up gradually, and in 1946 there were 4,482; in 1947, 4,835; 1948, 5,207; 1949, 5,655; 1950, 6,530; and in 1951, 7,061.

However, we find that the peak was reached in the month of September, when there were 731 seizures, and that declined until December of 1951, when it was reduced to 644. I think perhaps it might be interesting if I gave you something specific with reference to the seizure of cigarettes; that is, cigarettes seized by police and the ports in the years 1949, 1950 and 1951. Perhaps the last few months would interest you, or give you a comparison with a year ago. In June of 1951 there were 1,241,284 cigarettes seized. The peak, as I said, was reached at the first of this year, in January of 1952, when the number was 1,889,290; and it has been gradually going down since January. If you take the month of May, the seizures were then 1,139,160.

Mr. Macdonnell (Greenwood): That is the number of cigarettes. How many seizures were there?

Mr. McCann: How many what?

Mr. Macdonnell (Greenwood): The minister has given the total seized, as I understand it.

Mr. McCann: Yes. Then I was giving you specifically the figures for cigarettes. I think that is what you wanted. I believe this might help to clear up the situation.

Mr. Macdonnell (Greenwood): Can the minister give the number of seizures in May of this year?

Mr. McCann: May of last year?

Mr. Macdonnell (Greenwood): No; May of this year.

Mr. McCann: Yes. Of cigarettes, 1,139,160.

Mr. Macdonnell (Greenwood): That is the number of cigarettes seized?

Mr. McCann: That is the number of cigarettes.

Mr. Macdonnell (Greenwood): Yes; but what was the number of seizures?

Mr. McCann: The number of seizures? In May, 1951, it was 600 and in May, 1952, it was 707.

Mr. Macdonnell (Greenwood): Then do I understand that actually the number of seizures in May of 1952 was worse than in 1951, although the tax had been reduced in April?

We would not expect that results would appear immediately perhaps; but it is certainly disconcerting to find the situation was worse this last May than it was a year ago.

Mr. McCann: In May, 1952 the number was 707; but the peak in 1951 was in September of that year when there were 731 seizures.

Mr. Macdonnell (Greenwood): May I point out to the minister that that peak of September, 1951, if I have the figures down correctly, was 731 seizures whereas in May of 1952 we have 770. In other words the situation is worse.

Mr. McCann: I hope the hon. gentleman will understand that is 731 seizures of everything.

Mr. Macdonnell (Greenwood): When did we shift over from cigarettes?

Mr. McCann: I wanted to give you specifically the number of cigarettes, but I have not the information here as to the number of seizures of cigarettes.

Mr. Macdonnell (Greenwood): May I ask this question. After all, if we are going to have any real appreciation of what is going on we must have comparable figures. I think it is clear that what we need are comparable figures running right through in order to show whether this thing is getting better or worse. It is not merely a matter of the money lost; it is the whole unpleasant disregard of law. What I mean is this. Once people get into the habit of disobeying one law, they can easily extend the habit. May I now suggest that this item might stand until the morning.

Mr. McCann: If the hon. member will give me an opportunity to answer the rest of his question, perhaps he would have the information. He asked a question with reference to the money.

Mr. Macdonnell (Greenwood): I always like the minister better when he is good tempered. Do not let him and me fall out with each other. What we are actually finding is that the minister was giving figures that were not comparable, and I do not think they were getting us anywhere. If he has other comparable figures that he wants to give us, I should be glad to have them. But I am suggesting that, at the moment, we are comparing things that are not comparable. If the minister wants to go on, I am perfectly willing to do so.

Mr. McCann: I think perhaps if I were to give this statement it might help to clarify the situation. It has to do both with cigarettes and tobacco.

Although it is somewhat early as yet to assess the effect of the recent lowering of the tax on cigarettes—and I think that is the information the hon. member wanted—it can be reported that there has been a falling off in the quantities of cigarettes seized since the budget. Cigarettes seized during the month of May amount to 1,139,000. This is some 360,000 less than the number seized in the previous month—that would be April—and almost 1 million less than the peak reached in November last.

A further indication that the situation has improved is perhaps evidenced by the increase in the production of Canadian cigarettes which, for the month of April, shows an increase of 100 million over April of last year—the figures are 1,523 million compared with 1,438 million—and the May figures which show an increase over the corresponding month of last year of 284 million.

The revenue figures for cigarettes present a similar comparative picture for the month of May, and show an increase this year of $927,000. The amount collected in May of this year also exceeds the revenue collected in May of 1950 by over half a million dollars.

Mr. Macdonnell (Greenwood): Is that both customs and excise?

Mr. McCann: No. There is not much customs collected on cigarettes; it is excise tax and excise duty. I was giving the comparative figures. The amount collected in May of this year exceeds that collected in May of 1950 by half a million dollars, the figures being $15,359,000 as compared with $14,855,000 a year ago.

The production figures for cut tobacco are perhaps even more impressive, the months of April and May showing an increase over the same period last year of 1,162,000 pounds. That is the production of cut tobacco.

Mr. Macdonnell (Greenwood): Those production figures have their own interest, but you would need to know a great deal about them in order to know what their real bearing is on smuggling. The mere fact that we are producing a great deal more than we were producing before might mean that there was an arrears of production and that they were speeding up. I come back to this point. I want to know the number of seizures. To me it is not of great importance, if the number of seizures is going up, that the actual average amount seized is less. I do not regard that fact as of great importance. That perhaps means that they are not operating on quite as large a scale, but still they are operating. I see that it is now eleven o'clock. I would therefore suggest that in the morning the minister might give us a list of the seizures running back over a good many months, say over the last eighteen months.

Mr. McCann: Does the hon. member mean seizures of everything, including cars, cigarettes and jewelry?

Mr. Macdonnell (Greenwood): Either of everything or of cigarettes. I started with cigarettes. If the minister will give us comparative figures, and if those relating to cigarettes are most convenient, I suggest he give us the figures for cigarettes. It will be quite satisfactory to me if we can get a figure carried through that is comparable so we can form an estimate of what is going on.

Item stands.

Progress reported.

BUSINESS OF THE HOUSE

ADJOURNMENT UNTIL 10 A.M. FRIDAY

Hon. Alphonse Fournier (Minister of Public Works): Mr. Speaker, with the unanimous consent of the house I move:

That when the house adjourns this day it stand adjourned until tomorrow at ten o'clock, a.m.

Motion agreed to.

BUSINESS FOR TOMORROW

Mr. Fournier (Hull): Tomorrow we will begin with national revenue, and then take up immigration, legislation, finance, and the balance of the supplementaries.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

[The following items were passed in committee of supply]:

DEPARTMENT OF RESOURCES AND DEVELOPMENT

General—

420. Emergency shelter administration, $100,000.

421. To provide for the expenses incurred by Central Mortgage and Housing Corporation in constructing and supervising construction of married quarters, schools and related services on behalf of the Department of National Defence, $900,000.

Central Mortgage and Housing Corporation—

557. To provide for advances to Central Mortgage and Housing Corporation for the purposes of subsection one of section 34 of the National Housing Act, 1944, in respect of housing projects for veterans, housing projects at Deep River, Ontario, for sale to Atomic Energy of Canada, Limited, and housing projects at Gander, Newfoundland, for sale or rental, $8,300,000.

National film board—

255. Administration, production and distribution of films and other visual materials, $2,804,131.

256. Acquisition of new equipment, $115,820.

National parks branch—

National parks and historic sites services—

768. Construction or acquisition of buildings, works, land and new equipment—further amount required, $50,927.

Engineering and water resources branch—

Water resources division—

Water resources division, including the administration of the Dominion Water Power and Irrigation Acts—

769. Construction or acquisition of buildings, works, land and new equipment—further amount required, $32,800.

Projects division—

770. To provide for a contribution by Canada to the improvement and reconstruction of the road between Patricia Bay airport, Vancouver island, and the city limits of Victoria, B.C., in accordance with the terms of the agreement between Canada and the province of British Columbia—further amount required, $171,013.

771. To provide for advances made in the fiscal year 1951-52 by the Minister of Finance to the Northwest Territories power commission for power development in accordance with section 17 (2) of the Northwest Territories Power Commission Act, chapter 64, 11-12 George VI, $1,000.

Northern administration and lands branch—

772. Lands division—administration of territorial and public lands; seed grain collections—further amount required, $9,350.

Northern administration division—

Northwest Territories, including Wood Buffalo park and Eskimo affairs—

773. Operation and maintenance—further amount required, $45,600.

774. Construction or acquisition of buildings, works, land and new equipment—further amount required, $9,000.

775. To authorize payments to be made from the consolidated revenue fund in respect of each of the five fiscal years commencing on the first day of April in the period from April 1, 1952, to March 31, 1957, to the territorial revenue account of the Northwest Territories in accordance with an agreement to be entered into by the Minister of Finance, with the approval of the governor in council on behalf of the government of Canada, and the commissioner of the Northwest Territories with the approval of the council of the Northwest Territories, on behalf of the government of the Northwest Territories, such agreement to provide, on such terms and conditions as may be agreed upon, for payment of the total of amounts calculated on the following basis: (a) annual subsidy hereafter called the "population subsidy" to the government of the Northwest Territories of eighty cents per head in respect of a population of sixteen thousand and four persons, being the population for the year 1951 as determined by the census taken in that year, $12,803.20, (b) compensation to the government of the Northwest Territories in consideration of its agreement to suspend and to refrain from levying, and to require the municipalities in the Northwest Territories to suspend and to refrain from levying, individual income taxes, corporation income taxes, corporation taxes and succession duties, as defined in the agreement, for the five year period specified in the agreement, the amount of compensation for each year to be the amount by which the greater of (i) the guaranteed minimum annual amount of $186,000, or (ii) the adjusted annual amount which is an amount that is, in respect of a fiscal year, the average of amounts determined in respect of each of the two calendar years immediately preceding the fiscal year, each of such amounts to be the greater of (A) the guaranteed minimum annual amount, or (B) the amount that is the product of the guaranteed minimum annual amount and the product of the

ratio that the value of the gross national product per capita in the respective calendar year bears to the said value in the calendar year 1948 and the ratio that the population of the Northwest Territories for the respective calendar year bears to the said population in the calendar year 1948, the said ratios to be determined by the dominion statistician, exceeds the amount of the population subsidy, the estimated amount of compensation for the fiscal year 1952-53 being $226,473.02, the estimated total amount required for the fiscal year 1952-53 being $239,276.22, $239,277.

Forest conservation and wildlife management, including Wood Buffalo park—

776. Operation and maintenance—further amount required, $8,150.

777. Construction or acquisition of buildings, works, land and new equipment—further amount required, $49,650.

Yukon Territory, including forest conservation—

778. Operation and maintenance—further amount required, $261,400.

779. To authorize payments to be made from the consolidated revenue fund in respect of each of the five fiscal years commencing on the first day of April in the period from April 1, 1952, to March 31, 1957, to the Yukon consolidated revenue fund in accordance with an agreement to be entered into by the Minister of Finance, with the approval of the governor in council on behalf of the government of Canada, and the commissioner of the Yukon Territory with the approval of the council of the Yukon Territory, on behalf of the government of the Yukon Territory, such agreement to provide, on such terms and conditions as may be agreed upon, for payment of the total of amounts calculated on the following basis: (a) grant in lieu of grants to the government of the Yukon Territory for support of government and legislature and other special grants, $30,000; (b) annual subsidy hereafter called the "population subsidy" to the government of the Yukon Territory of eighty cents per head in respect of a population of nine thousand and ninety-six persons, being the population for the year 1951 as determined by the census taken in that year, $7,276.80, and (c) compensation to the government of the Yukon Territory in consideration of its agreement to suspend and to refrain from levying, and to require the municipalities in the Yukon Territory to suspend and to refrain from levying, individual income taxes, corporation taxes and succession duties as defined in the agreement for the five year period specified in the agreement, the amount of compensation for each year to be the amount by which the greater of (i) the guaranteed minimum annual amount of $170,487, or (ii) the adjusted annual amount which is an amount that is, in respect of a fiscal year, the average of amounts determined in respect of each of the two calendar years immediately preceding the fiscal year, each of such amounts to be the greater of (A) the guaranteed minimum annual amount, or (B) the amount that is the product of the guaranteed minimum annual amount and the product of the ratio that the value of the gross national product per capita in the respective calendar year bears to the said value in the calendar year 1948 and the ratio that the population of the Yukon Territory for the respective calendar year bears to the said population in the calendar year 1948, the said ratios to be determined by the dominion statistician, exceeds the amount of the population subsidy, the estimated amount of compensation for the fiscal year 1952-53 being $222,233.45, and to authorize payment of an amount not exceeding $182.92 to the government of the Yukon Territory in consideration of the release of its right to payment by the government of Canada of interest and penalties in respect of overdue taxes under clause four of the agreement, as amended, entered into pursuant to chapter 21, Ordinances of the Yukon Territory, 1948; the estimated total amount required for the fiscal year 1952-53 being $259,693.17, $259,694.

[Mr. Fournier (Hull).]

DEPARTMENT OF AGRICULTURE

47. Land protection, reclamation and development in British Columbia under such terms and conditions as may be approved by the governor in council, $184,996.

48. Land protection and reclamation; clearing and settlement of new lands under such terms and conditions as may be approved by the governor in council, $250,000.

49. Maritime Marshland Rehabilitation Act, $1,655,520.

50. Assiniboine river—diking and cut-off, $50,000.

51. To provide for administrative expenses, Agricultural Prices Support Act, 1944, $92,700.

52. To provide for a contribution to the federated women's institutes of Canada to help defray the costs of the international conference of the associated country women of the world to be held in Canada in 1953, $10,000.

Loans, investments and advances—Agriculture—

556. To authorize and provide for the operation of a revolving fund in accordance with the provisions of section 58 of the Financial Administration Act, for the purposes of financing the production of improved and new varieties of seeds, including administrative expenses; and for the acquiring of livestock for experimental purposes; the amount to be charged to the revolving fund at any one time not to exceed, $250,000.

Science service—

Science service administration—

659. Construction or acquisition of buildings, works, land and new equipment—further amount required, $410,800.

Animal pathology—

660. Operation and maintenance—further amount required, $6,700.

661. Construction or acquisition of buildings, works, land and new equipment—further amount required, $2,100.

Botany and plant pathology—

662. Construction or acquisition of buildings, works, land and new equipment—further amount required, $62,000.

Forest biology—

663. Construction or acquisition of buildings, works, land and new equipment—further amount required, $101,000.

Experimental farms service—

Central experimental farms, including research and co-ordinating divisions for the experimental farms service—

664. Construction or acquisition of buildings, works, land and new equipment—further amount required, $4,000.

Branch experimental farms, substations and illustration stations—

665. Construction or acquisition of buildings, works, land and new equipment—further amount required, $108,300.

Production service—

Health of animals—

666. Administration of Animal Contagious Diseases Act, and Meat and Canned Foods Act—further amount required, $130,000.

667. To provide for payment of compensation to owners of animals and poultry affected with diseases coming under the operation of the Animal Contagious Diseases Act, which have died or have been slaughtered under circumstances unprovided for under the above act and regulations thereunder, in the amounts detailed in the estimates, and to authorize payment from vote 25 of the main estimates, 1952-53, of compensation in conformity with the terms of the Act for the Control and Extirpation of Foot and Mouth Disease, $75,398.

668. Grants to fairs and exhibitions, under such terms and conditions as may be approved by the governor in council and subject to allocation by the treasury board—further amount required, $10,000.

Marketing service—

669. Subsidies for cold storage warehouses under the Cold Storage Act, and grants, in the amounts detailed in the estimates—further amount required, $832,354.

Terminable services—

670. Freight assistance on western feed grains—further amount required, $11,250,000.

Special—

671. Prairie Farm Rehabilitation Act and water storage—further amount required, $500,000.

672. Major irrigation and reclamation projects in the prairie provinces—further amount required, $500,000.

673. Land protection and reclamation; clearing and settlement of new lands under such terms and conditions as may be approved by the governor in council—further amount required, $100,000.

674. Amount required to recoup the agricultural prices support account to cover the net operating loss of the agricultural prices support board during the fiscal year 1951-52, $186,390.

675. To provide for price adjustment on overweight hogs, $100,000.

POST OFFICE DEPARTMENT

311. Departmental administration, $1,118,455.

312. Operations—including salaries and other expenses of staff post offices, district offices, railway mail service staffs, and supplies, equipment and other items for revenue post offices, also including administration, $61,196,517.

313. Transportation—movement of mail by land, air and water, including administration, $40,542,048.

314. Financial services, including audit of revenue, money order and savings bank business; and postage stamps, $2,525,240.

733. Departmental administration—further amount required, $75,000.

734. Operations—including salaries and other expenses of staff post offices, district offices, railway mail service staffs, and supplies, equipment and other items for revenue post offices, also including administration—further amount required, $218,376.

735. Transportation—movement of mail by land, air and water, including administration—further amount required, $460,900.

HOUSE OF COMMONS

Friday, July 4, 1952

The house met at ten o'clock.

COMMONWEALTH CONFERENCE

SUGGESTED INVITATION BY CANADA TO COMMONWEALTH COUNTRIES

On the orders of the day:

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, since it would appear likely that this will be the last day we will meet before the adjournment until November, and in view of the reported statements by the Prime Minister of Australia in regard to the desirability of holding a commonwealth conference, as well as another statement from London, I wonder if the Prime Minister could not give some assurance that Canada will consider extending an invitation, having regard to the fact that Canada's position is a peculiarly favourable one to indicate a willingness to explore this possibility.

Right Hon. L. S. St. Laurent (Prime Minister): I do not think there is any probability of Canada taking the initiative in the near future. The hon. member knows that these stories are not without some background, but I am not at liberty to discuss any details at this moment. I think any initiative taken by Canada at this time might be a serious embarrassment to those who have already taken initiative to bring about this kind of conference.

Mr. Diefenbaker: Arising out of the reply to the leader of the opposition just made by the Prime Minister, is it not a fact that departmental officials are now gathering information preparatory to a conference to be held in November? Is there not something like that going ahead at the very moment?

Mr. St. Laurent: There is information being gathered for the purpose of making it available to those who are considering the calling of a conference at a not too distant date. The Canadian government has expressed its desire to co-operate to the fullest possible extent and to make whatever information can be gathered here available for consideration in that connection.

Mr. Drew: I do not want to enlarge this matter because we must not extend it into a debate, but in view of what has been said and the desire we all have that everything be done to advance a meeting of this kind I would most earnestly hope that Canada, with its peculiarly favourable position in relation to the commonwealth and the United States, will consider giving every possible lead in this direction that can be given.

SUPPLY

The house in committee of supply, Mr. Robinson in the chair.

DEPARTMENT OF NATIONAL REVENUE

Customs and excise divisions—

302. General administration, $2,105,832.

Hon. J. J. McCann (Minister of National Revenue): When we had a discussion last night with reference to this matter the hon. member for Greenwood asked several questions which I will attempt to answer at this time. As reported at page 4227 of *Hansard* for July 3, he said:

> First of all I should like to know what the minister considers was the loss to the treasury last year from smuggling operations. He will recall what the Minister of Finance said . . .

The only answer I can give to that question is that nobody knows with any degree of accuracy what that loss was. It can only be an estimate and I would hesitate to make any estimate of what the loss has been in dollars and cents. The hon. member also said:

> I do want, however, to get from the minister what he considers the most significant facts. First of all I want to know the number of prosecutions and seizures which were being made prior to the change in the tax on April 8 last, and whether the minister has reason to think the situation has improved very greatly. Some opinions I have heard, though I cannot profess to have verified them, seem to indicate that the change is not nearly as great as one might expect.

I will give the hon. member the information with reference to seizures and perhaps that will suffice to answer the question. Cigarettes seized in the fiscal year 1951-52 amounted to 14,375,891. As against that from April 1, 1952, to May 31, 1952, cigarettes seized amounted to 2,633,932. With respect to prosecutions, for the fiscal year 1951-52 completed prosecutions numbered 508 and those convicted numbered 498. From April 1, 1952, to May 31, 1952, there were 122 completed prosecutions and 117 convictions. The

number of motor vehicles forfeited for carrying smuggled goods in the fiscal year 1951-52 was 152, and from April 1, 1952, to May 31, 1952, the number was 27. In that period there were 41 cases still pending.

I think perhaps I should put on the record the answer to the question of the hon. gentleman as to cigarettes seized by both police and ports for the years 1951 and 1952. I shall give first the 1952 seizures for the months of January to May inclusive. The figures are as follows:

1952	No. seized
January	1,889,290
February	1,470,019
March	1,060,025
April	1,494,772
May	1,139,160

I think the figures for the last six months of 1951 indicate the trend. They are as follows:

1951	No. seized
July	873,980
August	960,674
September	734,747
October	1,323,645
November	2,048,838
December	1,521,594

In the whole year 1951 there were 11,080,291 cigarettes seized. The trend of the figures through July, August, September and October and reaching a high point in November indicates to me personally that smugglers of course always operate under cover if they can. In November the hours of darkness are longer which makes it easier for the smuggler to carry on his operations. Of course I think there is always going to be smuggling of cigarettes as long as there is a differential between the price at which they can be purchased in the United States and the price at which they are on sale in Canada. I will not deny that.

Mr. Macdonnell (Greenwood): Could I ask the minister a question? Before the minister makes his general observations, I am wondering if he is going to give me the figure I asked for particularly last night. That was not the number of cigarettes seized but the number of seizures, that is to say, the number of cases of law-breaking. I said last night that seemed to me the most indicative figure. It is that figure that I should like to get particularly, and all the more because I notice that the prosecutions—and I would be interested to know why—seem to be only a small fraction of what I understand to be the number of seizures.

Mr. McCann: We can give those figures. I think perhaps the most recent ones might be given first. In 1952 the total number of seizures in January was 559.

[Mr. McCann.]

Mr. Macdonnell (Greenwood): Is this for cigarettes?

Mr. McCann: This is all seizures.

Mr. Macdonnell (Greenwood): I said last night that as long as we get a comparable figure we can carry the thing right through. Last night the minister gave me some figures for cigarettes and then said later that they were the figures for everything. What I am interested in is getting a comparable figure that can be carried right through.

Mr. McCann: I doubt if it is possible to give a comparable figure. I say that for the reason that so far as a great many seizures are concerned there might be one carton of cigarettes, a pair of boots, a tire in a trunk and something else. You could not put that down merely as a seizure of cigarettes, but it is a seizure.

Mr. Macdonnell (Greenwood): As long as we get a comparable figure I think that is the best that can be done, but I should like a comparable figure throughout.

Mr. McCann: We will give comparable figures for all seizures for the first six months of 1952. They are as follows:

1952	All seizures
January	559
February	609
March	641
April	660
May	707
June	648

Would the hon. member like the figures for 1951?

Starting in January the total number of seizures were: January, 426; February, 421; March, 457; April, 514; May, 600; June, 617; July, 587; August, 680; September, 731; October, 697; November, 687; December, 644. I can give you the totals in 1951 of cigarettes involved—the number of cigarettes that were seized.

Mr. Macdonnell (Greenwood): On the figures the minister has given, as I took them down, the figures for 1952 show no lessening. The figures for 1952 run along practically parallel with those of 1951. I do not want to labour this and spend a lot of time on it but the minister says there is a peak from which we are receding.

Mr. McCann: Mr. Chairman, I think that might be explained by the fact that there is an extra effort and more vigilance on the part of the police in making seizures—and on the part of the department too.

Mr. Macdonnell (Greenwood): One other question. If I took the figures down correctly the number of prosecutions for 1951-52 was only 508.

Mr. McCann: That is right.

Mr. Macdonnell (Greenwood): Less than the seizures for one month.

Mr. McCann: Of course, the explanation is that there is not a prosecution in every case.

Mr. Macdonnell (Greenwood): That is certainly clear but I do want to know just the basis, if the minister can indicate it, on which we prosecute such a small number. There is probably some reason that I do not know of, but I would like to know it, and I would like to know also whether the minister thinks the deterrents are strong enough; because the picture one gets is disturbing. I read an estimate, and the figure is probably just plucked out of the atmosphere, but the estimate was that the police are only getting about five per cent. No doubt that is somebody's guess but there is a great deal going on which is not caught.

Mr. McCann: Mr. Chairman, for the hon. gentleman's information, we prosecute the people whom we classify as commercial smugglers—those are the people who are definitely known to be in the business; but there is not a prosecution of the odd person who comes along and has a few cigarettes. The cigarettes may be confiscated and that is probably the end of it. If people wish to pay duty and penalty on them, well and good; that is done and that ends the case. If they do not, the cigarettes are confiscated and distributed to veterans' hospitals throughout the country.

Mr. Macdonnell (Greenwood): In other words, you distinguish between professionals and enthusiastic amateurs. I am not going to comment further at the moment but I would like to ask a question on this. Just what does the minister consider to be the experience of his department as to the adequacy of the deterrents? This thing is keeping on and it is an ugly business. Has the minister any view to express?

Mr. McCann: I think that the deterrents have been in a measure fairly effective in that they are helping to stop the big smuggling. Seizures have been made where a truck is seized and on it there is a load of cigarettes worth anywhere from $10,000 to $15,000. Now, we are not finding as much of that because when that truck is seized with $14,000 or $15,000 of cigarettes, and those concerned have to pay a fine, if there is a deterrent at all that is it. I think it is having its effect.

Mr. Macdonnell (Greenwood): The minister will recall I think the representations of the tobacco industry particularly last year as to the damage they were suffering. Is there any indication from them of their feeling about the present situation, whether it has improved, and if so, how much?

Mr. McCann: I might say that we have not had protest from the industry to the same extent this year. There were other factors in the lessened production figures last year and I refer particularly to the strike in the Imperial Tobacco Company. I do not think that the manufacturers of cigarettes are suffering very much because all indications are that the total number of domestic cigarettes, Canadian cigarettes made and entered for consumption, is on the increase. For instance, in May of this year consumption was 1,750,711,685 while the consumption in February was only 1,098,023,345. One of the factors entering into that increase is that the budget in April reduced the tax to a degree at least and consumption has increased. Although I do not know that the hon. member for Greenwood appreciated or caught my point, I said last night that there was a great increase in the use of manufactured tobacco. It indicated that an awful lot of people, instead of using and buying tailor-made cigarettes, were making their own. Lately, in the last year or two at least, there has not been a tax on cigarette papers and a lot of people have found it more economical to manufacture their own cigarettes. But, on the whole, there has been an increase in the consumption of tailor-made cigarettes, and I think I can say that there has been less protest from the Canadian manufacturers of cigarettes.

Mr. Macdonnell (Greenwood): I have just one more question on this point. Who is responsible for the border patrol? Has the department an enforcement branch of its own or does it call in the R.C.M.P. and direct the R.C.M.P., or vice versa? Who is responsible? Also, to what extent has the patrol force been increased?

Mr. McCann: Since 1932 the R.C.M.P. have been doing the patrol work for the Department of National Revenue.

Mrs. Fairclough: Yesterday, I believe, the minister when referring to the increased estimates said that $1,900,000 odd was for salaries—increased salaries. I wonder if he would tell us whether this amount is attributable to raises in salaries or whether it is additions to staff; and possibly he would also comment on the policy of the department with respect to the dismissal of some employees and their replacement with auditors who have degrees?

Mr. McCann: Well, Mr. Chairman, as I stated last night the estimates provide for an

increase over last year of $1,999,153 and the larger part, 95 per cent of the $1,999,153, is required to cover adjustments in salaries occasioned by the general increase that was applicable to all government employees. In addition, with respect to the second part of the hon. member's question, part of that sum represents an increase in positions sufficient to bring us up to the same strength we had a year ago. Of course, we are always trying to improve the calibre of the staff but there have not been any releases for the purpose mentioned.

Mrs. Fairclough: Will the minister state the over-all wage and salary roll of the department?

Mr. McCann: There has been an increase of 118 in the salary quota. As of May 31, 1951, we had 4,886 permanents; 1,291 temporaries; and then we have what we call a seasonal staff. The hon. member will understand that in the busy part of the summer we need extra staff. There were 274 of those. This made a total of 6,451. For May 31, 1952, the permanents totalled 5,115. There have been a couple of hundred made permanent, so the temporaries are less, 1,205; seasonal staff is less, 249. This give us a total of 6,569, which is an over-all increase of 118 over the staff of a year ago.

Mrs. Fairclough: What is the amount of the total wage roll for the department?

Mr. McCann: We provide for $21,608,037; that is the total amount for wages.

Mrs. Fairclough: Then the increase in wages is almost 10 per cent over last year?

Mr. McCann: Yes.

Mrs. Fairclough: There is another matter I should like to bring to the attention of the minister. I think he has already been approached on this matter, and it relates to the sales tax imposed on church furniture. In the case of which I am aware, the donor of a gift to a church found that the furniture was marked "sales tax included". Upon making application he found that he had no claim for a rebate of this amount. In the very same church, another donor who had given a stained glass window found that there was no sales tax on those. It seems odd that one type of gift to a church is subject to sales tax and another is not, particularly when they both are classed as gifts to a place of worship.

Mr. McCann: Church furnishings and church pews are not exempt from sales tax. If the stained glass windows in this instance were a donation from abroad, we give a remission because usually they are erected as memorials. For instance, if an organ were erected in a church and had a plaque on it that it was a memorial to those of that congregation who lost their lives in the war, then we make a remission of sales tax.

Mrs. Fairclough: Would that apply to such things as a reredos, an altar or something of that nature which was given as a memorial? Are they exempt from sales tax?

Mr. McCann: No, the exemption has not been extended that far. I presume the hon. member is familiar with the Excise Tax Act, schedule III, in which there are five pages of articles which are exempt from sales tax. A lot of the material that goes into the church —the stone, cement and many other things, the glass for windows—that is exempt from sales tax.

Mrs. Fairclough: It seems to me like splitting hairs. I believe that if any of the equipment that goes into a church is exempt, that exemption might very well be extended to cover all the equipment of the church. I do not mean things like portable chairs and so on, but I mean the actual fixtures of the church. I cannot see where the department gains anything by splitting them into classifications and allowing exemption to one group and not another.

Mr. McCann: That is the policy as I have outlined it. I want to indicate to the hon. member that this department is only administrative. If the law is changed and gives further exemptions we shall be very happy to administer the law as indicated in any changes that would be made.

Mrs. Fairclough: I respectfully suggest that the minister, being the present custodian of policy let us say for the department, should suggest to his colleagues that the law be changed in that respect.

Mr. McCann: That is the rather anomalous and perhaps unhappy situation: we are not policy makers.

Mrs. Fairclough: If you cannot make changes in it, who can?

Mr. McCann: We will bring your suggestions to the Department of Finance to see what can be done about them.

Mr. Coldwell: I think it is rather odd that a stained glass window as a memorial could be exempt, and we will say a statue in a church or, we will say a reredos, would be taxed. It does not seem to me to be proper. In one instance you have a picture or an image or a reredos containing a number of images, and in one instance sales tax is not imposed while in the other instance it is. It does not seem to me to be sensible.

Mr. McCann: Well, it is as it is; that is the best answer I can give you.

Mr. Lennard: Did I understand the minister correctly when he said that if a pulpit were erected with a plaque on it saying that it was donated in memory of the men who had fallen in one of the great wars, that was tax free, but if a similar pulpit were erected as a memorial to some private individual or family, it would be taxed?

Mr. McCann: I was not speaking about pulpits or altars, but about organs.

Mr. Lennard: I am asking about the other.

Mr. McCann: The exemption is for memorials or monuments, and those are exempt under the Excise Tax Act. It must be memorials or monuments erected to members of the armed forces who lost their lives in the service of their country. If an altar or pulpit were erected as a memorial, and it were so indicated, that would be given consideration for exemption and it might qualify.

Mr. Coldwell: A memorial to members of the armed forces?

Mr. McCann: That is what it says, a memorial or monument erected to any members of the armed forces who lost their lives in the service of their country.

Mr. Coldwell: That narrows it.

Mr. Lennard: In other words, it does not apply to a memorial put up to private individuals?

Mr. McCann: No.

Mr. Macdonnell (Greenwood): I should like to ask a question about the temporary employees. I noticed the minister gave a figure of 1,291 for temporaries. Then, he said that this represented a reduction of, I think, around 200 in the temporary staff. I understand that the temporary staff is not entitled to be on the pension plan. Is that correct?

Mr. McCann: Yes; there was a reduction in temporaries this year, from 1,291 a year ago to 1,205; that would be a difference of 86.

Mr. Macdonnell (Greenwood): My second question is this. Having regard to my understanding that these people may not be on the pension plan, I would be interested to know just what the situation is with regard to this 1,291. For example, I would be interested in knowing how many of them have been years in the service. In other words, those who are not temporary in any real sense. Secondly, I would be interested to know what wastage there is. How big a problem is this 1,291? Have we got 1,291 people most of whom have been in the government service for a long time, who would like to be under the pension plan and who cannot be? Or have we got 1,291 who are turning over fairly rapidly or where there is a great deal of wastage?

Mr. McCann: As a matter of policy, 10 per cent of our staff outside of ports are temporary. An employee comes into the service and, after certain years of service and satisfaction, he is put on the permanent force. Let me indicate to the hon. member that in May, 1951, we had 4,886 permanents and that number has been increased in a year to 5,115. That is an increase of 229 in a year. I think that is a fair increase from temporary employment or from temporaries to permanents, within that time, relative to the number employed.

Mr. Macdonnell (Greenwood): I would not want to argue against that statement. It is progress. But I am still left without an answer to my question. Let us take into consideration this number of 1,291. First of all, will the minister say exactly what their position is with regard to pension rights? I may not have stated it quite accurately. In the second place, will he say, for example, how many of those 1,291 have been in the service, let us say, five years?

Mr. McCann: I am giving the information that we have not many who remain temporaries very long. As the hon. member will understand, the temporary pays into the retirement fund. Then when he becomes a permanent, he pays into the superannuation fund and he gets credit, of course, for the money he has put into the retirement fund. The retirement fund applies to temporaries and the superannuation fund applies to permanents. I am told that there are few of our employees whom it takes longer than one, two or three years to be transferred from the temporary force to the permanent force.

Mr. Macdonnell (Greenwood): That situation sounds fairly satisfactory, but let me ask one further question. When an employee is transferred from the temporary force to the permanent force, as the minister has pointed out, he has had deductions from his salary even during his period as a temporary. Then he becomes permanent and goes under the ordinary civil service plan. Is he in exactly the same position as that in which he would have been if he had been permanent from the time he began to make his payments?

Mr. McCann: With regard to superannuation, he is in exactly the same position because he gets that credit.

Mr. Macdonnell (Greenwood): I am glad to hear that.

Mr. Lennard: I have a matter that I wish to draw to the attention of the minister. If

my understanding is correct, a Canadian who visits the United States for a period longer than 48 hours is allowed to bring back every four months certain things to the value of $100. Is that right?

Mr. McCann: That is right.

Mr. Lennard: I had this personal experience myself. A few months ago I visited the United States for ten days, came back and had $19 worth of goods to declare. I was not going over there on a spending spree. I declared that $19 worth of goods, and was immediately told that I would not be able to bring any more goods in from the United States until the four-months period was up. I do not think this is fair. If that is the policy, it encourages people who visit the United States to go the limit. In my case, as I say, I was on no spending spree. I declared this $19 worth of goods that I brought back, and I was immediately told that I would not be able to bring in any more goods tax-free for a four-months period. Is that the policy?

Mr. McCann: The hon. gentleman understands the situation correctly and was given the correct information. It would be an impossible administrative and bookkeeping job if the situation were otherwise. I think I know what the hon. member has in mind. He brought in $19 worth of goods. I think it is his opinion that on another occasion he ought to be able to bring in $131 worth of goods or at least the difference between—

Mr. Lennard: Is the limit $150 or $100.

Mr. McCann: $100. The hon. member thinks he should be able to bring in the other $81 worth?

Mr. Lennard: That is right.

Mr. McCann: That would not be in accordance with the law.

Mr. Lennard: I am merely stating that I consider the strict law as being extremely unfair.

Mr. McCann: I see what the hon. member means.

Mr. Lennard: It encourages people to go the limit and to fill the car full.

Mr. McCann: That is a matter that can be given consideration. I do not know whether any change will be made.

Mr. Drew: I want to raise a matter that I had hoped I might be raising before this time, but this seems to be the only time when I can present it. I do so in the hope that the situation may be given consideration. I am dealing with a particular application that was made for service with this department. Sometimes it is only by dealing with individual cases that it is possible to make an argument for reconsideration of the general policy. I am mentioning the case of a veteran of the last war by the name of Paul Flewwelling who served with the Royal Canadian Air Force and won the D.F.C. After four years' service with the R.C.A.F., in the bomber command, he returned to Canada. Like a great many other air force veterans he found that he could not become attached here and he went to Britain in 1947 to serve with the R.A.F. He returned in 1951, being unable to get a long term appointment with the R.A.F., in spite of the fact that he had been an instructor and had a high standing as a flying officer with the R.C.A.F. He then applied for a position with the department of customs and excise in Saint John. He wrote the civil service examinations in Saint John in December of 1951. He was informed that he had passed those examinations, but in January of this year he was told by the selection board that he could not get the position in any event because he had not been in the country for one year. He was informed by letter that he had passed the examinations but he was told orally that he could not get the appointment in any event for this reason.

This young man was born sixteen miles from Saint John. They have property there, and during the time that he was in England his wife held that property at all times while he was serving. I raise this point, and I shall be happy to give this young man's address and any other details to the minister or to anyone in the department because it seems to me that this represents one of those cases where regulations made for one purpose produce a result that was never intended. I feel sure that when there is a provision that someone will not be allowed to serve because he has not been in the country a year, it is obviously intended to apply to those who are strangers to Canada, and who are coming to Canada. Of course it is appropriate that persons should spend some time here, which would indicate that they were fitting into our general pattern of life, before they should be taken into the civil service and have to do with matters where they accept some responsibility in relation to the public. I feel, however, that that provision never could have been intended to apply to a young man who was born here and who spent all his life here except for the period that he served in forces that were associated with ours in a common cause.

I raise this now for two reasons: one, to deal with this as a specific case, and the other to use that specific case to express the hope that there will be a re-examination of some of these provisions so that any cases that are affected by service which really is

in the common cause and within the empire shall not deprive anyone of an opportunity for appointment to which he would have been entitled had he remained in Canada at the time, or in a Canadian uniform. This simply happened to be a case where, not being able to serve in a Canadian uniform in that branch of the service for which he was qualified, he joined the Royal Air Force and served in what after all is a common cause.

Mr. McCann: I thank the leader of the opposition for bringing this particular case to our attention. The one year in the country regulation is not a regulation of the Department of National Revenue. That is a civil service regulation. From what the leader of the opposition says, I think he would be the exact type of man that we should like to have in our service, and I may say that there is no department of government, proportionate to the number of employees, that has more veterans within its service than we have. We have found them eminently satisfactory. They are well received by people coming into this country, and they carry on their duties very efficiently. What I will do is bring to the attention of the civil service commission and my colleagues this apparent anomaly, with a view to having it corrected.

Mr. Drew: I wish to express my appreciation of the assurance given by the minister, and simply to leave it. I was giving this specific example as an illustration of what had happened. Recognizing that it is a general problem, I hope that by bringing this forward it may be possible to have the general service regulations recognize that many young men have gone out of Canada with no thought of leaving Canada but simply of making use of the training that they had received in what they regarded at all times as a common cause within the commonwealth.

Mr. White (Middlesex East): Before the item carries I want to return for a moment to the question of temporary and permanent employees. The reason I do that is that it has been brought to my attention in one particular instance that a man had served 22 years and was still on the temporary list. This was not in the minister's department, but in one of the departments of government. How many employees in the Department of National Revenue have been on a temporary basis for 15 years and 20 years?

Mr. McCann: The answer to that is absolutely none. It may have been some other department of government.

Mr. White (Middlesex East): Yes.

Mr. McCann: There is nobody in our service who has been on the temporary list for 15 years or 20 years.

Mr. White (Middlesex East): The reason I mentioned that was that I felt that it was very unjust treatment of any faithful civil servant.

Mr. Lennard: I have a question in connection with the international bridge at Niagara Falls. Are the quarters occupied by the customs officials there owned by the bridge authority and rented by the department?

Mr. McCann: As with most other bridges of that type, the accommodations are owned by the bridge authority and are supplied free of charge to the Department of National Revenue. We send our officers there to do the work at the point of entry.

Mr. Lennard: Therefore you would not have much control? I happened to drift into the office at a time when it was raining quite a shower, and the roof was leaking terribly. They had to move several desks. I said: "You need umbrellas in here." They said: "There is not much we can do about this. The roof has been leaking for months, but they will not fix it." In the circumstances, I cannot see that you can do very much about it.

Item agreed to.

Taxation division—

307. General administration, $1,537,200.

Mr. McCann: No; that is a separate department. Will you call the supplementaries for customs and excise on page 11.

The Deputy Chairman: Order. We shall now call item 732 of the supplementary estimates on page 11.

Customs and excise divisions—

Ports, outports and preventive stations—

732. Construction or acquisition of buildings, works, land and new equipment—further amount required, $66,000.

Mrs. Fairclough: I notice that the details of this item on page 37 do not give any location. Is this merely in anticipation of general demand, or is there anything specific in mind in asking for this?

Mr. McCann: I am afraid I was not listening attentively.

Mrs. Fairclough: Is this a contingency item?

Mr. McCann: It turns out that we require a little extra money for this.

Mr. Macdonnell (Greenwood): Will the minister just say a word as to the position with regard to collection of taxes at the

moment. I know it is pretty well up. Perhaps he can tell us exactly where it stands.

Mr. McCann: That is under 307? Yes.

I want to make a short statement with reference to the taxation division. I think it will give information that will be beneficial. When presenting the estimates of the taxation division—

The Deputy Chairman: Order. Do I understand that item 732 is carried?

Item agreed to.

Taxation division—

307. General administration, $1,537,200.

Mr. McCann: When presenting the estimates of the taxation division of the Department of National Revenue, I have made it a practice to make a short statement mentioning points that may be of particular interest to hon. members with regard to the operation of the taxation division.

At page 44 of the estimates will be found the total amount required for the operation of the division, which is $23,432,212. This compares with the amount of $25,472,294 provided in the estimates for 1951-52 and represents a reduction of $2,040,082. Also on page 44 will be found the estimate for the operation of the income tax appeal board amounting to $119,693 which is an increase of $22,074.

The principal reduction is in the estimate provided for salaries, although there are reductions in other items. The total provided for salaries this year is $20,143,432; this compares with a total of $22,040,694 provided for in the 1951-52 estimates and represents a reduction of $1,897,262.

The total staff of the division as at the end of May 1951 was 6,944 people and as at the 1st May, 1952, 6,355, of which number 433 persons represent casual help hired about the beginning of March for the three or four month peak period which occurs each year around the statutory filing date. The actual number of persons with the division at the present time is somewhat short of the number required and a limited number of employees with the requisite qualifications are being engaged through the civil service commission. The total staff required by the division for all district offices as well as at head office should be closer to 7,500 than the present number. However, in conformity with the division's policy of restricting the personnel engaged to those whose qualifications are best suited to the work, it is unlikely that this figure will be reached for some time. The average monthly salary of all persons employed by the division at 1st May, 1952, was $252 as compared with $242 a year ago.

The next item to which I would like to refer is travelling expenses. The estimate for this year provides for a total of $700,000 which is $92,000 less than the estimate for last year. The department, in co-operation with the office of the comptroller of the treasury, scrutinize the travelling expenses very carefully and ensure that such are incurred only where warranted. Hon. members will appreciate that in the work of the division the part represented by the examination of records in the field is very important. For this reason it is essential that officials of the division do a good deal of their work in the field.

The third largest item in the estimates this year is for postage in the district offices. This item is $600,000 as compared to $650,000 provided for 1951-52.

The next item to which I would like to refer is for office stationery and supplies. The total amount provided in this year's estimates is $568,180 as compared to $719,500 for last year. This represents a reduction of $151,320. Every effort will be made to further reduce these costs and to ensure that they are kept to the essential minimum.

A closely related item for which an increased estimate is provided is office machine equipment. The amount this year is $142,500 as opposed to $35,000 last year. The increase in this item is occasioned by the acquisition of modern accounting machines and reproducing equipment which will be used in dealing with the accounts of employers deducting the tax at source from their employees. The revised procedure which has been developed effects substantial staff economies throughout the district offices and, in addition, achieves a more efficient bookkeeping system which should be of assistance to employers in their dealings with the district offices. The highest order of efficiency and service is warranted in accounting by the division for the taxes deducted by employers when one considers that through this source of revenue alone something like $800 million in taxes is collected. The revised system has been installed and is operating in several district offices.

Another related item for which there is a slight reduction is public forms. The amount submitted this year is $427,000 as against $440,000 provided for last year. A tremendous volume of public forms are required to be printed for this division and constant efforts are being made in co-operation with the queen's printer to effect economies. The wastage remains high and variations in the

methods of distribution are being tried with some slight success. The wastage is caused by two general factors: first, the need for providing complete and adequate distribution; second, the natural inclination of the individual taxpayer to provide himself with extra copies of the forms. This is a difficult matter, as the primary requisite is the service to which the public is entitled.

An excellent illustration of the economies that have been effected by improved methods and procedures within the taxation division is provided by a comparison of the total estimate for all items relating to printing, stationery and office equipment for each of the last four fiscal years:

1949-50	$1,610,000
1950-51	1,605,000
1951-52	1,254,500
1952-53	1,197,380

The item for law costs is in total $230,000 as compared with $253,000 provided last year. The reduction is applicable to the vote for district offices which is $35,000 less than the amount provided last year. The saving achieved in this vote results from arrangements made with the R.C.M.P. who have undertaken a substantial part of the work in connection with prosecutions.

On the other hand, the vote for law costs under general administration which relates to the head office part of this work indicates an increase of $60,000 in this year's estimates, as against $48,000 provided last year. This increase is attributable to the number of appeals which are processed through the head office of the division as well as the exchequer court cases and collection matters.

I should like to make a brief comment about three of the other items. Advertising: this amount has been increased to $42,000 from $27,000 and is due in part to the opening of additional district offices as well as a small expansion in the scope of this program. As a matter of interest to hon. members, the "file early campaign" this year was most successful. Throughout the divisions, approximately twice as many returns were filed in February and early in March as in previous years.

Armoured car service has been increased to $20,000 from $13,000 owing to the opening of additional district offices and increased rates.

The item for $75,000 for acquisition of housing accommodation which is provided this year relates to the moving of the headquarters for the Yukon district office from Dawson to Whitehorse. There are other government departments also being moved to Whitehorse and this amount represents the cost of accommodation being provided for the taxation division.

With respect to the income tax appeal board, the following figures illustrate the work dealt with by this board during each calendar year since its inception in 1949. The number of appeals received in 1949 was 122, disposed of, 55. In 1950, received, 423; disposed of, 299. In 1951, received, 469; disposed of, 443. To April 30, 1952, received, 81; disposed of, 108. The foregoing indicates that at April 30 there were 190 appeals being dealt with. Hon. members may have noted with respect to salaries of members of the board the provision for an additional member. It is felt that the work of the board will be expedited by the appointment of an additional member.

I should like to conclude this statement with a brief reference to certain points in connection with the present position of the work of the division.

As at 1st May, 1952, there was an inventory of individual returns of 128,049; at the same date in 1951, the inventory of individual returns was 133,075. The number of returns processed from 1st January, 1952, to 1st May, 1952, was 2,247,966 as compared with 1,707,276 processed during the same period in 1951.

With respect to corporation returns, the inventory of returns as at 1st May, 1952, was 14,184; as at 1st May, 1951, this inventory was 19,369.

The number of corporation returns received from May 1, 1951, to 1st May, 1952, was 61,718 as compared with 59,105 for the same period ending in 1951.

With respect to the individual income tax returns filed this spring, 1,481,000 refund applications had been forwarded to the comptroller of the treasury by 21st May. As of the same date, 1,328,000 refund cheques had been issued.

The collection of outstanding taxes also indicates some improvement as illustrated by the following figures:

At April 15, 1952, there were 127,949 accounts outstanding amounting to $46,648,577. As at the same date in 1951, there were 153,636 accounts outstanding amounting to $58,120,949.

The over-all administrative costs of operating the division as related to $100 revenue received for the fiscal period ending March 31, 1952, was 99 cents. As at the same period in 1951, this cost was $1.62.

Last year when speaking about the estimates, I indicated to hon. members that certain additional district offices would be opened during the forthcoming year. I am pleased to be able to report that offices are

now fully operating in Kitchener, Sudbury, Victoria and Windsor. At St. Catharines a district office has been opened and should be in full operation very shortly. It is not planned to open further district offices this year.

I trust that the foregoing comments will be of assistance to hon. members in considering these estimates and shall be glad to provide any further information that may be desired. The total collections last year were $2,204,046,302.14.

Mr. Macdonnell (Greenwood): I imagine it would be convenient under this general administration item to ask the minister for some information about the work of the income tax appeal board. In particular, I would like to know how many appeals have been dealt with, how many are pending and what length of time is involved.

Mr. McCann: Perhaps the hon. member missed what I said in giving my statement. With respect to the income tax appeal board, the following figures illustrate the work dealt with by this board during each calendar year since its inception in 1949. The number of appeals received in 1949 was 122, disposed of, 55. In 1950, received, 423; disposed of, 299. In 1951, received, 469; disposed of, 443. To April 30, 1952, received, 81; disposed of, 108. The foregoing indicates that at April 30 there were 190 appeals to be dealt with.

Mr. Macdonnell (Greenwood): What about the length of time?

Mr. McCann: The average length of time taken to dispose of a case is three months.

Mrs. Fairclough: With reference to the figures the minister has given, when he says that in 1949 there were so many appeals and in 1950 there were so many, does that mean appeals lodged in those years or does that mean the appeals are for those taxation years?

Mr. McCann: They were lodged, and that was the first year the appeal board was set up.

Mrs. Fairclough: The appeals may have been for 1946, 1947 or 1948?

Mr. McCann: They could well have been.

Mr. Fair: On many occasions in the past I have brought to the attention of the house the question of taxation as it applies to farmers. We had intended to have quite a discussion but because the estimates of the Department of National Revenue have not been brought in until this late date it will have to be postponed until another time.

[Mr. McCann.]

There is, however, a new brand of confiscation that has been imposed on farmers, and I have a letter concerning a particular case which was written by the lady concerned on the same date this session opened. I believe we discussed this matter to some extent at the time the budget resolutions were before the house. At that time I took up with the parliamentary assistant to the Minister of Finance the question of bachelors not being able to receive an exemption for wages paid to housekeepers. At that time the parliamentary assistant thought it was quite a joke and he said that perhaps the farmer should marry the housekeeper. However, if some of the farmers concerned had attempted to pick a wife for the parliamentary assistant perhaps he would not have thought it was quite so much of a joke.

I think this matter deserves consideration because after all farmers are natural people. Every bachelor farmer has his work to do on his farm and I think he is entitled to exemption for the wages paid to a housekeeper, but up to the present time that has been denied. I believe that farmers are as much entitled to lead a natural life in every sense of the word as anybody else, but in the light of the circumstances which I intend to relate in a moment it will be apparent that they are not supposed to live that way.

The case I am concerned with at the present time has to do with a farmer and his wife. Apparently they did the natural thing some years ago and were married legally. The farmer was a man of small means. In my case when I came to this country I had $50 and when I got married I was in debt to the tune of a few thousand dollars. In this case the farmer's wife had owned some cattle before her marriage, and after they were married they naturally put their herds together and went to work as many of us did on our farms in the earlier days, and as I expect is being done at the present time. After some time the lady's herd of cattle increased, as did her husband's, and they were able to purchase a half section of land. However, the time came when ill health and general conditions compelled them to reduce their herds. They did so and apparently placed the proceeds of the sale in the bank in the husband's name but the wife had a power of attorney.

In 1948 a government annuity contract was purchased to yield the wife $100 a month as soon as she reached the age of 60, and I might say that in a very short time she will have reached that age. That policy cost them $13,268.76. The purchase was made out of the proceeds of the sale of their basic

livestock herd on which the income tax department had been satisfied so far as income tax was concerned. It was their money to do with as they pleased. If they had had a joint account, as many farmers and their wives do, and the lady had signed the cheque in payment for the annuity I do not suppose any trouble would have arisen in connection with the matter. However, because the husband signed the cheque we find that after a little while they received a notice of assessment from the taxation division at Edmonton indicating that they owed gift tax amounting to $1,184.63. The gift tax was assessed because the farmer had signed the cheque for the purchase of the annuity.

I do not believe they had any ulterior motive because they have not got very much property, but it was pointed out to them by the taxation division at Edmonton that it was one method of evading succession duty. At the time they purchased the annuity they were advised by the annuity office in Edmonton that there would be no tax on the transaction simply because they had already paid income tax on the amount received from the sale of their basic herd. However, they were assessed the sum of $1,184.63 and that amount has been confiscated from them in the Russian manner. That is not the way to increase production in this country. They and many other farmers have curtailed their production drastically because of the taxation methods employed. I believe such methods should not be tolerated by this or any other government.

Earlier in the session I took the matter up with the minister and had most courteous replies from him but we did not get a refund of the amount. I believe a refund with interest should have been made long before now. The amount should never have been collected to begin with. The result is that the annuity contract has cost these people $14,453.39 for an annuity of $100 per month. The policy is only guaranteed for ten years. The lady says that because of the state of her health she doubts very much whether she will reach the age of 70 but if she does she will have collected $12,000. It appears to me that there is something wrong. It would seem that there is a penalty because people live a natural life.

I am not accusing the minister of dishonesty, far from it. I have known him since 1935 and I have a lot of respect for him. However, I also know the farmers of the west, having lived there since 1914, almost forty years. I know the struggle that many young people have had in order to make a living, and now when they have reached a certain age and their health is broken simply because of the conditions under which they have had to live, in what is a semi-arid part of the province along the south line of my constituency, they are treated in this way by the Department of National Revenue. I feel that it is not good enough and I am asking now that, without further delay, the Department of National Revenue refund those people the amount of $1,184.63 plus 6 per cent interest; because that is the amount the government would have charged them had they not paid their income tax.

I do not want to take up any more time—

Mr. Abbott: Hear, hear.

Mr. Fair: —but I do believe that in the interest of justice all round—and the farmers have not had any too much justice in the past either in the prices they have been allowed for their production or in these matters—the department should straighten this out.

Mr. Low: This appears to be one of those cases where a strict application of the law does result in gross injustice. There is a remedy and the treasury board have the remedy in their hands. It is, by treasury board minute, to remit that gift tax and then bring into this house an amendment which would make it abundantly clear that no such gross injustice should be perpetrated again. I think the Department of National Revenue ought to ask for such a remission order so that these folks will not have to pay $14,453.39 for a ten-year annuity of $100 per month. It is only worth $12,000 now. Those folks would have been better off to have kept their cash.

Mr. McCann: They are paying for the annuity—it is not $12,000 cash.

Mr. Low: On top of the payment for the annuity they have had to pay this gift tax of over $1,100 which is the thing we are talking about. I think it is iniquitous. I am not blaming the minister but I think it is one of those cases where strict application of the law will result in injustice. I do not see that there is any other interpretation which can be placed on it and I know that the minister himself would not want that to continue.

Mr. McCann: I do not think there is much use discussing the individual case at this time. There has been a lot of correspondence on it and I suggest that this is exactly the type of case for which the income tax appeal board was set up. For the small sum of $15 an appeal can be made to that

board and if the case goes favourably to the appellant the fee is refunded.

Mr. Low: Do you not think that at this time it would be wise to consider changing the act? That would make such injustices as this impossible in the future, and this is likely to happen to a number of people.

Mr. McCann: In answer to that question I say again that we are only an administrative department and if changes are to be made representations might well be made to my colleague the Minister of Finance.

Mr. Low: I notice your colleague the Minister of Finance is listening now.

Mr. Abbott: These matters are always considered.

Mr. Fair: May I ask the minister whether it is too late to lodge an appeal now against this iniquitous practice?

Mr. McCann: We will have to look into the matter to see whether it comes within the regulations that are set up regarding appeals. There is a time limit but I cannot say offhand what that time limit is.

Mr. Fair: Would the minister please let me know?

Mr. McCann: Yes, we can do that.

Mrs. Fairclough: There are two or three things I should like to mention to the minister at this time. In the first instance I would like to ask him when he is replying to give us some information about when we may expect the regulations regarding deferred capital cost allowance will be withdrawn. At the time those regulations were put into effect there were some restrictions on building, and supplies were not available. It was thought advisable to curtail investment in both building and equipment, but as conditions have eased somewhat, and as this particular regulation causes a considerable amount of difficulty from the standpoint of both accounting in the various establishments concerned and, I am sure, within the department itself, I hope that serious consideration will be given to withdrawing those regulations within the course of the current year.

The minister spoke a few moments ago about the time limit for the making of appeals. In that regard I might say that the government treats the taxpayer in a manner entirely different from that in which he is allowed to act himself. I have particular regard to investigations which have been made within the last couple of years. The main complaint I have had was from a professional man, a doctor, and I will use his case to illustrate.

In this instance the officials went into his office and went back not for one year or two years or three years but for ten years. I am sure that the minister himself would have difficulty remembering details of operations in his office ten years ago. I know that I would myself. I do not think I can remember matters of administration within my office three years ago. If anyone asked me, unless I had a complete record on paper I am sure I could not answer any questions. I believe a busy professional man suffers considerable injustice when investigations are conducted over such a long period. I realize that during the war with the added work in the department and the difficulty of obtaining staff there was a backlog of work and examinations of returns were not completed for sometimes four or five years. But at the present time I think it is pretty well caught up—or that is the information I have; and I do not believe it is right that there should be no time limit on these investigations. If the department has not caught up with the taxpayer within four or five years it does not seem fair that they should go back for that length of time unless there is quite a bit of evidence of failure to report income. Where a man has reported right along and has paid his tax it does not seem proper to me that the department, merely for the sake of checking his records, should go back ten years. In the particular case to which I have reference, when the investigation was over there had not been anything to speak of, and it does not seem proper.

Earlier in this session I spoke with regard to the method employed in the department for computing dependents' allowance with particular reference to children who are eligible for family allowances and those who are not. At that time I put a case on the record where a child did not qualify by reason of residence until December, and the parent of that child was only permitted to charge a $150 exemption. If my memory serves me well, the parliamentary assistant to the Minister of Finance at that time took up the question and said: Well, in any event, in the year in which the allowance ceased, that is the year in which the child became 16 years of age, the guardian or parent would benefit to the extent of being allowed the full $400 exemption despite the fact that the child was eligible for only a portion of the year.

In that case, peculiarly enough, they only received family allowance for two months—December in the one year and January in the next. I became interested in this case and wrote back to find out whether or not they did receive any allowance at all for December and I found that while they were

required to deduct only $150 for this dependent they did not even receive family allowances in the December in which the child qualified. In the following month, January of the following year, they received a cheque for two months—for December in the one year and for January of the next year—and that was the end of it. They received the one cheque for the two months and it prohibited the taxpayer from claiming the full allowance of $400 for that child for one year. Of course, he could claim it in the next year.

It does seem to me, Mr. Chairman, that there should be some sense to these things. Under normal conditions the parents would not even have applied for family allowance because it was apparent they could only receive it for two months. But even if they had not applied, the rules were still applicable to that case because the child was eligible within that month of December, and whether or not they received the family allowance they failed to receive the full allowance for that dependent. To my mind, this is wrong. I quite understand that a parent might well calculate that in three or four years it would be to his advantage not to have the family allowance but to claim the $400 dependent's allowance rather than the $150. I know what that would mean to the department, and that is one of the reasons this regulation was put into effect, because of the difficulties of administration.

Where a child coming into the country is sixteen years of age, it seems to me to be wrong that the parents are not permitted to claim the full amount of $400. In this case it meant quite a sizeable difference in tax. I had it calculated—I believe he had three children—and the difference in the tax amounted to some $123 which he was forced to remit in addition to what he had already paid. I believe that is a matter which should be given some consideration by the department.

Another matter which I brought up in the house a couple of weeks ago concerns the deduction of dues paid by professional engineers to their society in Ontario. I believe the minister will recall that I asked that question, and the answer was that the matter would be given consideration. I should like to know whether or not that has been done.

There is a rather technical matter which I should like to bring to the attention of the minister. It arises out of the current policy of the federal income tax department in attempting to tax what is usually called the reserve for unredeemed tickets of dairy, bakery and other businesses using tickets as a payment convenience for themselves and their customers. In some cases these amounts for unredeemed tickets have been set up on the company's books as reserves. I admit that the term "reserve" is really a misnomer when applied to all these tickets. This term may be the chief cause of the present trouble. It may be that a more acceptable accounting practice would be to credit the proceeds of tickets sold to an account named "liability for unredeemed tickets" or "customers' deposits on future sales." Then, when the goods or services were delivered and some tickets redeemed, they could enter the amount of the goods delivered as a sale, with a consequent reduction in the aforesaid liability account.

In computing taxable income, it is stated in the Income Tax Act, section 12 (1) (e), that no deduction from taxable income shall be allowed in respect of an amount transferred or credited to a reserve, contingent account, or sinking fund except as expressly permitted by this part. It can be argued that if the sales of tickets are not credited to income in the first place, it is not necessary to claim them as deductions. Moreover, if the proceeds of tickets are credited to a liability account not called by the term "reserve", it can be contended that the above subsection of the act does not apply to it.

I think it might be well to consider the relationship of this problem to some other industries, because some businesses require deposits on account of a customer's order for goods before they will proceed to work on or supply goods. For instance, in the case of a big machine ordered, a manufacturer may require a large deposit to help finance the cost of manufacture or to guard against a substantial loss if the customer does not accept delivery when the machine is completed. A rental may be prepaid, let us say, over a period of a year or a retaining fee received for work to be done in the succeeding year or a customer's accidentally overpaid balance may be left to apply on account of the next periodic purchase. All the foregoing represent payment received in advance of goods or privileges to be delivered, and the income tax department does not require them to be assessed as taxable income. They can be set up on the company's or individual's books and claimed as deferred. It does not require contractors to pay on profits until the contracts are completed. Why then does it require dairies and bakeries, transportation companies and so on, to pay on receipts for which they have not yet bought the goods to make delivery? I claim, Mr. Chairman, this is discrimination.

A very important point to be considered is that a real liability for a cash refund on tickets does exist. I have never heard of any dairy or bakery, and I am sure the minister has not either, which has refused to return cash on demand for any tickets presented to it. Just recently in Hamilton, as a matter of fact within the last couple of months when the Hamilton street railway issued new tickets at an increased rate it advertised particulars of, and actually carried out, a redemption of the old unused tickets in the hands of customers. The drivers for dairies and bakeries carry cash and tickets on the same basis, and they are equivalent in value, and equivalent to each other in making their returns at the end of the day when accounting for the day's sales. In practice, all the time they are giving cash on demand for tickets. Whether or not there is a legal liability to redeem in cash, so far as I know this practice has been followed in winding up or bankruptcy proceedings.

Businesses with a liability for outstanding tickets appearing on their financial statements, Mr. Chairman, are approached by the income tax assessors in the first place, and asked if they will accept an assessment on their ticket liability account. If so, they are offered the proposition that the full balance of the said liability may be added to the taxable income of the enterprise for the year 1949, or else may be spread over the years 1949 to 1951 in any reasonable proportion which can be substantiated by figures submitted by the taxpayer. If the taxpayer will not accept this proposition or indicates that he will appeal on principle to the appeal board, which he has a legal right to do, then the department will withdraw its proposition and assess the ticket liability account on the basis of increases in it for the full period from six years prior to the date of the last assessment to the present time. It will also charge interest—there again we have a contentious point, Mr. Chairman—on those reopened assessments of prior years. This reopening of these old assessments often goes back to 1944 or 1943 affecting periods when the 75 per cent and 100 per cent excess profits taxes were in force, and resulting in very large additional bills for income and excess profits taxes. In those years the taxpayer had no inkling of any such treatment by the income tax department, and frequently the assessments are staggering to their financial position. It seems to me, Mr. Chairman, that the whole approach indicates strong-arm methods, with the use of a particularly heavy club to discourage appeals.

In closing these few remarks on this contentious subject I would ask the minister, in the first place, whether he will give consideration to this point and take whatever appropriate action may be necessary to revise the act in this regard. In the second place, I should like to ask him a personal question. During the course of my remarks someone was kind enough to send me some street-car tickets. May I apply them on my income tax?

Mr. McCann: All of the matters brought to our attention by the hon. member for Hamilton West have to do with policy, and I am glad that my colleague the Minister of Finance has been here. There are just one or two things I might say with reference to the assessment going back of over a period such as that which the hon. member claims. There is a six-year limitation with reference to re-assessment unless there are indications that correct returns have not been made.

Mrs. Fairclough: They took ten years in this one office.

Mr. McCann: I have a long file on the matter myself. The gentleman in question is a friend of mine of many years' standing. I could name him if I wanted to.

With reference to the dues of engineers, that is a matter that would require a change in the law. As to the matter of reserve for tickets, that is, as I say, a policy question and is before the courts at the present time.

With reference to the matter of deferred depreciation, I believe the Minister of Trade and Commerce made a statement on that matter a short time ago.

The Deputy Chairman: Shall the item carry?

Mrs. Fairclough: No. Following up the minister's remark that the matter of dues for professional engineers would require a change in the act—

Mr. Abbott: I have already advised that that matter will be considered prior to the next budget. I made that answer to the question here about two months ago.

Mrs. Fairclough: The minister answered it two months ago, certainly; but surely it does not take two months to decide whether the dues that a professional engineer pays to his association are any different from those which are paid to a union by a worker.

Mr. Abbott: What I meant was that it would require a budgetary change, and that

I have indicated publicly that we will consider it with a great many other budgetary matters prior to the introduction of the next budget.

Item agreed to.

Canadian Broadcasting Corporation—
International shortwave broadcasting service—

54. Maintenance and operation including authority to credit to the appropriation revenue from rental of facilities in Radio Canada building to an amount of $140,000 and to re-expend it for the purposes of the international service, $1,982,675.

Mr. Macdonnell (Greenwood): Is the minister going to say something about the C.B.C.?

Mr. McCann: Yes. This item 54 has to do with the maintenance and operation including authority to credit to the appropriation revenue certain amounts of money for the international shortwave broadcasting service.

Canada's shortwave service continues its work of interpreting Canada and its policies to the world. This is an increasingly important work. Canada is bearing its share in the mutual defence efforts of the free world to deter aggression. Canada is also bearing its share in the positive and intelligent presentation of the free world's position in the current struggle for the minds of men.

The work of this service in the world arena has great psychological, political and economic significance. It is a source of solid encouragement to all men who continue to believe in the democratic way of life; and there are many listeners—perhaps more than we may at times imagine—who do so under the most adverse circumstances. It is an untrammelled source of information that respects no frontiers, recognizes no iron curtains. With a twist of the listener's finger, it can fill a hall, hush to a whisper or be silent at a sound on the stairs. It is a source of fact —hard, uncompromising fact—for those who have no other access to fact, access otherwise only to distortion and perversion. And is it not truth which shall make men free? It is a source for knowledge of democratic processes and democratic achievement. And is not Canada a great source of inspiration for us here? Further, by developing a wider knowledge of our country and its resources, its economic and industrial potential and its business world, it serves as a means of conditioning for trade development markets such as Latin America which Canadians are now just beginning to exploit. Canada's economic growth is dependent on a healthy and expanding multilateral trade. As the Minister of Trade and Commerce recently has said:

> Canada puts forth an effort to trade with every country in the world . . . It is because we have that flexibility of outlook that . . . we have been able to maintain an expanding level of trade and thus keep Canada prosperous.

The work of the international service daily grows more intensive and more complex. Even closer liaison has been established with the Department of External Affairs in the day-to-day policy administration and with B.B.C. and "The Voice of America" in the development of program services. The Canadian missions abroad are being given fuller information on the transmissions to the individual countries and are proving increasingly helpful in the information and guidance they are providing to the service.

The monthly program schedule of the service, which is sent out to listeners only on request, now has a circulation of over 100,000 copies. Mail response in the year 1951 was close to 40,000 letters from all parts of the world, with the greatest number coming from Europe where our transmissions are most heavily concentrated.

The relay of Canadian programs on the national services of other countries, whether direct or by disc, continues to expand. Canadian programs including the Canadian musical transcription service are aired by the broadcasting organizations of all the western European countries to which our service is transmitted and by twenty-seven Latin American stations in fourteen of the Latin American republics.

While it remains impossible to expand the language service, particularly to satellite countries, with the current limited transmitter facilities, greater opportunities for specialization have been effected for the various language units, and the projected Ukrainian service went on the air on the 1st of July of this year. All this is being done within an operating budget that remains relatively the same as in the previous fiscal year. This is achieved by a general reduction of freelance services and a limited increase in staff appointments. This results in a more efficient use of the funds available and a more effective preparation and control of program material. The disc relay service of domestic C.B.C. programs for the Canadian forces serving in Korea was extended at the end of 1951 to our forces serving in Germany. Canadian news and sports reviews are transmitted daily as well by international service to the forces in Germany, and arrangements are proceeding at the present time for similar transmissions to Korea.

In accordance with the announcement of the Prime Minister, the Canadian ambassador in Rome, Mr. Jean Desy, was seconded to the post of director general of international service and assumed his duties in that post on January 1 of this year.

I think that statement attempts to cover some of the services of the international short wave broadcasting service and the item here, of which the details are given on page 127, outlines the expenditures for the international service this year. The total amount is $1,982,000 as compared with $1,709,000 a year ago. I think hon. members will appreciate the fact that fees for performers, salaries and general expenses in connection with running services of this kind have increased somewhat over the years and are probably in keeping with the increase there has been in the cost of services of this kind in other fields.

Mr. Macdonnell (Greenwood): The minister has confined himself in the main to the international shortwave. I suppose that is because the larger figure is a statutory one.

Mr. McCann: If you will excuse me just a moment, I might say that, with reference to the statutory item, the best answers to any questions that might be put in connection with it are contained in the C.B.C. annual report, which I tabled just two or three days ago. I shall be glad to attempt to answer any questions with reference to the operations of the C.B.C., but the hon. member for Greenwood will recall that just last fall a committee investigated all of the matters connected with C.B.C., and at that time a sort of preview was given of what the activities were and what the financial statement was likely to be.

I see some press comments with reference to an operating surplus. If you will recall, the amount of money that was paid to the C.B.C. was paid very late in the year, and the fact is the money that was appropriated was for both capital expenditure and operating expenditure. It shows an operating surplus, but as a matter of fact the corporation has not had the time, up to the end of the fiscal year, to spend the money that they intended to spend for extensions and betterments.

Mr. Macdonnell (Greenwood): I have no doubt the minister's explanation is that we may take it for granted that when they have time they will certainly spend it.

Mr. McCann: I quite agree.

Mr. Macdonnell (Greenwood): I want to ask one technical question in connection with the shortwave, lest I forget it. Then I have some more general questions. Has the government ever given consideration to the establishment of additional shortwave transmitters in the maritimes, and possibly on the west coast as well, in order to increase the listening audience to "The Voice of Canada"? I realize this is not international shortwave, but I want to get this question asked for fear there may be a chance of my forgetting it. Have I made it clear?

Mr. McCann: I think I understand the question. Of course, that is a matter for the corporation and not for the government at this time; but we felt that the capital costs that we have in the shortwave at Sackville, which is supposed to be one of the finest in the world, just about meets the requirements and the services that we want to give, and at the moment we are not prepared to make further extensions on the west coast or anywhere else with reference to the shortwave system.

Mr. Macdonnell (Greenwood): I should like to make one or two general observations, bearing in mind what the minister said a few moments ago, that it is a short time since last autumn. I want to recall the fact that we are in favour of the public control of radio broadcasting. The questions we raise and have raised are merely about the fact that the commission is still left as a competitor in business and as a judicial body, but I am not going to dwell on that. I just want to register it. I also want to recall that we deprecated the grant for a period of years, for the reason given that it was a thing which might get into politics. Therefore we wanted to take it out of politics and not to have the grant for a period of years. The argument put up at the time by the government did not seem to me very convincing. Many people here would like to see it taken out of politics. Perhaps the Minister of Finance would like to see his department carried on in that way. However, what I am coming to is this. I want to ask the minister two questions. First of all, in the report of the commission it says in broad general terms—this is the 1951-52 report—

> The corporation will use the balance of its income to carry out to the fullest possible extent the recommendations of the royal commission. Improvements and extensions of service embodied in these recommendations were under active consideration at the close of the present fiscal year.

And so on. The minister will remember that in the report of the C.B.C. there were certain broad suggestions made last December. They are contained in sections 9, 11, 20 and 21 of the third report of the radio broadcasting committee. Perhaps the minister can say something in general on that. In particular, I want to draw attention to one of the important recommendations which were made by the commission and to ask what has been happening in connection with it.

The minister will recall that the Massey commission, in commenting on the commercial broadcasting of the C.B.C., said at page 291:

We therefore recommend:

h. That the board of governors of the Canadian Broadcasting Corporation refuse all commercial programs not acceptable in content and that they consider the possibility of eliminating some of the less desirable commercial programs now carried, and of replacing them by programs more appropriate to Canadian listeners.

I should like the minister to tell us what progress has been made along that line in particular. I should like to know what the income from commercial broadcasting has been since the making of this recommendation. In other words, will the minister tell us what progress has been made, and what the evidence of it is, toward carrying out this recommendation.

Mr. McCann: I have not the report of the committee on broadcasting of last year before me, to which reference was made and specifically to recommendations 9, 11, 20 and 21. With reference to the other question having to do with the implementation of the recommendations of the Massey commission, I am informed by the officers that progress is being made in that line in reducing the commercial programs, and that some of the United States commercial programs that have formerly been carried in this country, when the contracts expire, are not being renewed. We are doing everything, at least the corporation is doing everything they can with reference to implementing the recommendations that were made by the Massey commission. Of course, as the hon. member for Greenwood will understand, that all takes time, just as well as it takes time to implement the positive suggestions and recommendations of the commission. As far as the commercial revenue of the C.B.C. goes, the budget of this year is $200,000 less for commercial programs than it was a year ago. The revenue that they expect to get will come down, they say, by $200,000.

Mr. Macdonnell (Greenwood): Will the minister give me the figures for last year and this year so that we will get the relative importance of the $200,000?

Mr. McCann: That will pretty well be found in the statement of business in the annual report. In the annual report at page 46 they show income and expenditures from April 1, 1951, to March 31, 1952. For commercial broadcasting it was $2,456,431.92. But the budget for this year is $200,000 less than that, which is approximately 10 per cent.

Mr. Macdonnell (Greenwood): May I ask one supplementary question? This is a technical question having to do with the question I asked the minister a moment or two ago. I notice that in section 9 of the report there is a recommendation as follows:

The committee feels that with increased resources the corporation should take further steps to improve its coverage in outlying areas not receiving service and to equalize service in different parts of Canada.

I had intended commenting on the surplus, but the minister anticipated me. But I do point out—I have not the reference here—that it was one of the recommendations of the Massey commission and it certainly carried into the report of the committee. I am wondering when the minister gave such a firm answer a few minutes ago if anything further is contemplated.

Mr. McCann: May I correct the hon. gentleman. I understood that he was asking with reference to stations on the west coast for shortwave broadcasting.

Mr. Macdonnell (Greenwood): I may have misled the minister.

Mr. McCann: If the hon. member will pardon the interruption, I can answer that now. The matter of extensions is being dealt with from day to day with a view to giving coverage to those parts of the country which did not formerly have it, for instance on the west coast and in districts like Kenora and Fort William, by means of what is called in the business booster transmitters. Considerable work is being done and the only thing that stopped us from doing this work in former years was the lack of funds. Now that funds are available these services will be extended as soon as booster transmitters become available. We aim to give coverage ultimately to all the people of Canada.

Mr. Macdonnell (Greenwood): Perhaps I did mislead the minister, but I would like to ask my question again to be sure just what the answer is and so there will be no possibility of misunderstanding. Has the government given consideration to the establishment of additional shortwave transmitters in the maritimes, and possibly on the west coast as well, in order to increase the listening audience of "The Voice of Canada"?

Mr. McCann: The answer I gave to that is correct. Consideration has been given, but no positive policy has been determined with reference to having a shortwave system on the west coast which would transmit to Japan and countries in that area, nor are we making additional expenditures for shortwave facilities in the maritimes. By certain

adjustments to our shortwave station in the maritimes we can probably get a greater coverage than we presently have, but not by means of new stations.

Mr. Coldwell: Mr. Chairman, after what the hon. member for Greenwood has said, I would like to ask to what extent the broadcasting corporation is endeavouring to minimize commercial advertising on private stations. One of their obligations is to supervise broadcasting generally in Canada and they have certain regulations regarding the content of the programs of private stations and spot announcements and advertising.

I listen to the radio quite frequently and I admit that it is usually to the C.B.C. stations because I think their programs on the whole are superior and so free from this continuous advertising of all kinds of things, some of which may be good for you and some of which may upset your stomach or digestion or ruin your health generally.

I am wondering to what extent the broadcasting corporation is carrying out its obligation to see that the content of programs does not include a superabundance of advertising, as some do. I listen to some stations and I hear one spot announcement after the other, advertising all kinds of things. Not only are the programs spoiled, but I think I can say without hesitation that the people of Canada are fed up with the kind of high pressure advertising carried by many of these stations. I do not believe that the broadcasting corporation is carrying out its obligations under the act in this regard.

I just wanted to add that, when some criticism is made of the amount of advertising on the C.B.C. stations, I should like to see it cut out altogether on all stations, but I realize that that is idealistic and impractical under the form of broadcasting we have in our country.

I doubt very much if the broadcasting corporation is carrying out its obligations in another field, that of insisting upon the private stations using more live and local talent. There is the odd program in the country, like the fine one entitled "Singing Stars of Tomorrow." This is put on by a private company and is rendering great service to the country; but generally speaking I do not think the private stations are carrying out their obligations. After all, they are given a monopoly for the use of an airwave that belongs to the people of Canada and it was never intended that that should be used purely for private profit and gain. Again I ask the minister to tell me to what extent the broadcasting corporation is carrying out its duties under the act in seeing that we have less of objectionable and frequent advertising.

Mr. McCann: The suggestions of the hon. gentleman would be pretty hard to put into effect. The C.B.C. are applying the existing regulations which are constantly under review, but I cannot hold out much hope at the moment that there will be any drastic changes in the immediate future. Attempts will be made to improve programs on private stations and have them more in conformity with what we think a more idealistic system should be.

Mr. Drew: Mr. Chairman, I realize that this is not an occasion when there should be an extended discussion of government policy with respect to the Canadian Broadcasting Corporation. One reason which limits our consideration of this subject to some extent is the decision to make annual payments under a statutory provision. I think that that is absolutely wrong, but nevertheless that practice has been adopted and it cannot be changed by discussion of the estimates at this time.

One point was raised by the minister to which I should like to refer, that is the function of the private station. I do not think that we are giving this system of combined public and private broadcasting a chance to operate on a basis which will produce real efficiency. I do not think that that can be done until the private stations are placed in a position of real competitive opportunity with the public stations.

If we believe in a dual system with competition then we should make it a really competitive system. The private stations should have the same rights to set up networks as the public stations. The private stations should be able to have the advantages of network arrangements for programs that the public stations have. Until that is done I am satisfied that talent in this country is not going to have the opportunity it should have through the advantage of a competitive system.

I can see many reasons in this country why there should be a public organization making it possible for programs to be carried into areas which otherwise would not be covered. I would point out that it was the Conservative party that carried it into effect. There can be no argument that our policy has always been that there should be public service of this kind. But I do believe that there should be a separation of the supervising and administrative body known as the Canadian Broadcasting Corporation and the actual operation, which has become so largely a

commercial operation. I shall leave it at that, but I do not wish to leave any suggestion by my silence at this point that I believe we are getting anything like the service we should be getting for the money that is being expended to maintain the Canadian Broadcasting Corporation. I think it has invaded fields that it was never intended to occupy. It has multiplied commercial operations which are not the function of the Canadian Broadcasting Corporation. I would hope that between now and next session there will be a real review of what the policy is with respect to the functions of the Canadian Broadcasting Corporation and that we will have a discussion, with some opportunity to carry it on as a general debate, with regard to the relationship of the Canadian Broadcasting Corporation and the private stations of this country.

I do want to speak about one aspect of the work of the Canadian Broadcasting Corporation about which I do not think enough has been said and with respect to which I do not think there is as yet any clearly defined policy. I think we have the most backward approach to television of any country with facilities comparable to those we now possess.

Mr. McCann: By way of explanation, there is an item covering television. I intend to make a statement with reference to policy, and I think the matter might be discussed better after that statement is made.

Mr. Drew: Since the minister is making that statement I will defer my remarks until later.

Mr. Macdonnell (Greenwood): I want to add one comment. I have not read the report of the C.B.C. through but as far as I can see on casual perusal it consists almost wholly of giving a detailed account of what they have done, which of course is interesting. However, to my mind it underlines the great undesirability of having given it a grant for several years so that it does not have to come back each year and, so to speak, sell itself again to the house. The only reference I can find as to general policy is on the first page. I have already read it. It is to the effect that the corporation will use the balance of its income to carry out to the fullest possible extent the recommendations of the royal commission.

Subject to being corrected by someone who has read the report more carefully than I have, that is the sum total of the reference. I have also found no reference whatever to the report of the committee of this house which had a dozen or fifteen meetings and produced a very careful report. Again I am not going to dwell on it except to say that from what the minister has said I would still doubt whether the corporation has really taken very seriously the recommendation of the commission with respect to cutting down their amount of commercial broadcasting. I realize, as the minister has said, that you cannot do it overnight because you have contracts, but I think when this comes up next year we will be entitled to hold the commission to a very strict accounting on this point.

Mr. Drew: I am deferring my comments about television but I wish to refer to one subject which I simply place before the minister for consideration. As far as the news reports of the Canadian Broadcasting Corporation are concerned, I think that on the whole they may be regarded as excellent. I think they compare favourably with any news broadcasts by any broadcasting system anywhere in the world. But I wish to raise very vigorous objection to the propapanda broadcasts that go out under the guise of impartial comments. They are balanced slightly to the extent that every now and then a slightly objective statement may be made, but on Sundays particularly the so-called impartial observers go far beyond ordinary observations and in a great number of cases make slanted broadcasts which misinterpret the actual passage of events.

I shall not extend my remarks now, but any careful examination of the discussions that take place over the radio on the various Sunday broadcasts will leave little doubt in the minds of most people that some of those who take part in such broadcasts have no desire to follow an objective approach but in many cases carry out the same pattern that they follow when they are dealing with public affairs in their other activities which they carry on when they are not engaged in the service of the Canadian Broadcasting Corporation. At a time when people who seek to discuss public affairs are placed under very severe limitations as to their opportunity to discuss them over the radio, at a time when members of parliament are placed under definite limitations, I think it is entirely wrong that those who have expressed such clear political slants should be given such encouragement at public expense to express their views along a straight propaganda line.

Item agreed to.

Loans, investments and advances—

819. Loans to the Canadian Broadcasting Corporation repayable with interest at a rate to be fixed by the governor in council on such terms and conditions as the governor in council may determine and to be applied in payment of expenditures to cover capital costs of television installations and to support the development of the service. Such loans,

with interest, shall be a charge on the revenues of the Canadian Broadcasting Corporation next after the charge imposed under the provisions of section 17 of the Canadian Broadcasting Act, 1936, $2,000,000.

Mr. McCann: This item covers a further loan of $2 million to the Canadian Broadcasting Corporation to support the development of its television service and to provide for some additional capital expenditures. Members will recall that two and a half years ago, when we made the first loan to the Canadian Broadcasting Corporation for television development I said that we had to envisage considerable further financing for the Montreal and the Toronto projects. At that time a loan of $4,500,000 for television was made to the C.B.C., followed by a further loan of $1,500,000 in 1950. This total of $6 million already loaned will cover the capital cost of the production centre stations at Montreal and Toronto, and in addition will provide funds to cover other expenditures up to the time of going on the air with regular service.

The corporation expects to be providing regular service for the Montreal and Toronto projects early in September of this year. Through the years the national television service will be supported by the licence fees from those to whom it is available and by additional commercial revenue. The amount and the details of television licence fees are now under consideration and are expected to be announced prior to the inauguration of the regular service.

As I said when the subject first came up in the house, it will be necessary to provide loans to the corporation not only to cover capital installations but also to help to provide service during initial periods when the number of television viewers is building up. These loans are made on a businesslike basis to the corporation. Full interest rates are charged on them and the corporation will have to repay them in the future. As long as this system is maintained no tax money from individuals in Canada to whom the service is not available will be used to provide television service in other areas.

This loan of $2 million will also make it possible for the corporation to begin construction of a television station in the Ottawa area. It will be remembered that the last special committee of the house on broadcasting was told by representatives of the C.B.C. that the corporation would like to proceed as soon as possible with the construction simultaneously of television stations in seven other areas in addition to Montreal and Toronto. They said that a capital cost of some $7 million would be involved. Loans for capital funds needed have to be provided by the government. The government has carefully considered these proposals and has decided that funds should be provided at the present moment to start only the station for the Ottawa area. By late next spring the network between Montreal and Toronto already should be passing through Ottawa and the operation of a station here will be particularly economical, more so than in any other area. The government is therefore, for the present, authorizing the start of this project.

We believe there is a sound basis in the national interest for a much wider plan covering nationally-owned television facilities in other parts of the country starting, for obvious reasons of economy, in those most heavily populated. We believe that before asking parliament to authorize the necessary loans it would be wise to wait until after the television service of the corporation has started, and it is possible for the public to get a better idea of what Canadian television service will be. A much wider development of nationally-owned facilities would meet the principles of the Massey commission report, and will give Canadian life and Canadian talent a chance to develop through this new medium. A plan for wider expansion in the western, central and maritime provinces has been by no means rejected, but we think it wise to give the matter further study, in which some knowledge of what the C.B.C. can do at the Montreal and Toronto centres will be of great assistance. Canada will shortly be producing her own television and I think it will be possible to make more sure decisions about the future after the service has started.

Mr. Chairman, I think that outlines as briefly as we could put it the policy of the government with reference to the further development of television. New stations will be opened in Montreal and Toronto in September, and the advances that there have been in television development make it possible by a relay system developed by the Bell Telephone Company to transmit those programs from Montreal and Toronto. It makes it very easy to develop a station here in Ottawa where we expect to spend something in the neighbourhood of $800,000 for a station which will contain a transmitter and which will also have some origination programs.

As far as policy goes that is the extent of the development proposed until the public have had an opportunity of seeing what the development in Montreal and Toronto produces and how well they are satisfied with it.

Mr. Drew: Mr. Chairman, there is one point in regard to the development of television by the Canadian Broadcasting Corporation which it seems to me does call for a careful re-examination by the government, and ultimately by the members of this house. I place it before the government at the moment in the hope that there may be reconsideration of this subject.

It seems to me that many of the arguments that can be made to support the spending of a substantial amount of public revenue on the maintenance of ordinary radio broadcasting cannot be made to apply in the same way to television. The minister has indicated that in a short time television will be available in Toronto and Montreal and fairly soon, as a result of a new system developed by the Bell Telephone Company, in Ottawa as well. That is not going to make television available generally throughout Canada.

I think it will be agreed that one of the fundamental ideas behind the set-up of a publicly-owned operating system, as distinguished from a supervisory body, was that it would make it possible to carry radio into every part of Canada and that the ordinary economic factors which might limit the availability of radio in distant areas, if it were carried out entirely by private stations, would be overcome. This does not apply at the present stage to television. Out of public funds contributed by the taxpayers of the whole of Canada television is going to be made available in Toronto, Montreal, and later in Ottawa. The minister has gone so far as to say that the expansion of television facilities in the west and in the maritimes has by no means been rejected. That is not a very optimistic expression of hope that in these areas there will be television.

The fact remains that private stations now operating ordinary radio have sought the right to provide television in areas which have no chance of getting television at an early date or at any reasonably early date if this present policy is adopted. Whatever arguments there may be in favour of the public operation of ordinary broadcasting, it seems to me that wisdom, economy and common sense would suggest that applications by private radio stations to operate television stations should be granted where those stations are ready to carry out the experimental work and to provide programs that otherwise will not be available for years.

Either this is a great modern means of communicating ideas or it is not. Most people think that it is. Most people think that although it is in its early stages it is a tremendously powerful means of influencing people's thoughts and of giving educational possibilities to people by this new and remarkable device. In many parts of Canada, for years to come, television broadcasts are going to be available only from the United States unless the policy is changed. That means that through subtle propaganda to a very considerable extent ideas of life in the United States are going to be permeating or are going to become parts of the thoughts of our people at a time that we are supporting the Canadian Broadcasting Corporation particularly for the purpose of developing Canadian thinking along Canadian lines.

I am not criticizing the fact that television broadcasts in the United States have a very definite propaganda flavour in support of what is done by the United States. It would be unnatural if it were otherwise. I think that in every country these great media of communication naturally extol the virtues of their own country and place before the people of their own country the developments that are taking place and the achievements of which they have every reason to be proud. For a long time Canadians will be seeing more of achievement in the United States than they will of achievement in Canada at a time when some of the most challenging things are being done in Canada which should be the inspiration of every young Canadian.

When private radio stations are ready to provide television broadcasts over widespread areas which under present policies will not be serviced by the Canadian Broadcasting Corporation I think it is wrong to deny them that opportunity. By the use of moving picture films and other devices new stations can give television broadcasts in areas that will not otherwise be served and those television broadcasts would be broadcasts with a definite Canadian flavour.

I leave it there. I do not know how it is possible to justify in the minds of the taxpayers of the maritimes, of the prairie provinces, of the distant north and, yes, of a considerable part of Ontario and Quebec as well, the thought that their money shall be collected for the purpose of supplying television broadcasts to these favoured areas while the opportunity to have the television broadcasts that they know they could have from private stations is denied under a policy which I must confess I simply cannot understand.

Mr. Coldwell: May I say a word? I think most of the arguments the leader of the

opposition used in favour of permitting private television broadcasting should be used in the opposite direction. As a matter of fact, the production of television programs is very expensive. I have no doubt that films and other programs that would be used by private stations, because they would be relatively cheaper, would be largely United States productions. As a matter of fact, when we speak of films I regret exceedingly that we are so dependent upon Hollywood and the United States for the production of films. From my observations of what has been done in radio, the private stations very largely rely on programs that originate in the United States or upon recordings that come almost exclusively from that country and have a distinctly American flavour.

The hon. member says that this is a great medium of public propaganda, and so it is. I do not think it is safe, in the days in which we live, to allow all the propaganda facilities to be in the hands of private stations or private interests. The House of Commons approved of the establishment of the so-called Massey commission. This commission investigated the matter of television very thoroughly, and we understood when the report was formulated and placed before the house that the probability was that this report would guide parliament and the broadcasting corporation as well as other cultural organizations in the country for a period of at least ten years.

I agree with the hon. member that we should not deny to the other parts of Canada the television facilities that will be available to Montreal and Toronto in the near future. But nonetheless, I think that while we expect the corporation to push ahead with television as rapidly as possible to serve as many communities as possible in Canada, we should bear in mind always that these very important facilities should be used as a means of the encouragement of Canadian education and of Canadian culture. I do not think we could do that if we relied on private stations indulging in commercial advertising. I do not think the United States programs give a good understanding or view of the American way of life. My viewing of television programs in the United States leads me to believe that they are quite inadequate, and often of a very low type, advertising all kinds of things that at least I would not want to see brought into my own home. I think that we should do everything we can to avoid the repetition of what has happened in the United States.

We might take some cognizance of what has been done under the B.B.C. in the United Kingdom. I have no doubt that if television facilities were placed in the hands of private organizations, in order to make them pay for this very expensive means of entertainment or communication, they would endeavour to use all the hours they could so that the advertising revenue would pay for the facilities. In other words, they would have to operate their television stations most of the day in order to make ends meet. In the United Kingdom there are only certain hours when television is available, and that is because the kind of programs that they are using in the United Kingdom are of quite a different type, in many instances, from the kind of programs we see in the United States. We have the Massey report. The Massey commission went into this matter thoroughly, and investigated the systems in various countries. They made very definite recommendations for our guidance. I think we would do well to follow out the recommendations made by the Massey commission as much as possible, and at the same time encourage the broadcasting corporation by providing the necessary finances to establish television across the country. We should enable them to provide all Canadians, as rapidly as possible, with the opportunity to view television. I do think that we should be careful lest we permit the prostitution of this great new educational facility by the hucksters who advertise their wares over the radio to the annoyance of a large number of people.

Mr. Laing: I should like to say a few words on this matter, because I think there is much to be said on both sides. I think that the government is to be commended for their cautious approach to television. I am aware that there are many educationists in Canada today who want no part of television. I have heard some of them come out and say that after a few generations of television our children will have, like Cyclops, but one eye. I do not think that is any solution. I do not think that we can turn back the clock. I think the only cure for the situation is to provide better programs.

I believe the government is to be commended for being cautious by reason of the cost of bringing television to the Canadian people. I do not think they have convinced the Canadian people adequately or made them aware of the difficulties standing in the way of television for everyone. I think a better job could be done in that line. I commend the minister for making progress in respect to Montreal and Toronto, and I think the entire house will accept his explanation as to why Ottawa was thought of as the third point of development. But I want to draw his attention to what is going on in Vancouver today. Anyone who has

read the Massey report would be very apprehensive if he took a look at Vancouver because the invasion is on there today. We have many hundreds of sets which are picking up programs that are beamed from Seattle and from a relay station now located in Bellingham, which is only sixty miles away.

There was a suggestion out there that it should not have been impossible for private stations and the corporation to work together to bring into Vancouver, probably at an earlier date than the corporation could otherwise have done, television programs. I do not share all the misgivings concerning private stations, under proper agreements, that are held by the hon. member who just spoke. But I will agree with him that the product of the invasion from the United States at the present time is, in fairly large part, a pretty shoddy performance.

Just in summing up, I think the minister should acquaint the Canadian people, by some publicity, with the magnitude of the problem and the great extent to which we are trying today to bring distinctly Canadian television programs to the Canadian people. In that regard, I do not think we have done a particularly good job. I think there would be, if it were properly explained, a tendency on the part of the Canadian people to wait.

We have been very fortunate, I am told, in being cautious in that we have avoided the fantastic mists which have been created in the United States owing to the blocking of certain wave lengths. There is much commendation due to the department.

I would ask the minister to give the Vancouver area his early attention. We are there drawing programs which probably could not be available to, let us say, a city like Winnipeg. The United States cities are close by us and the invasion is on. There are many hundreds of aerials. I do not have the figure for the minister. Probably he was given a copy of that able cartoon by Norris in the Vancouver *Sun*, showing the leader of the Boy Scout troop out with his boys. He said, "We will never get lost because there are enough television aerials in the area, and thanks to the C.B.C. they all point south." That is the situation in Vancouver. Norris' cartoon was inspired by the fact that there are, I would say, probably thousands in that general area. It is an area in which television could well be developed. We have high hills which provide for excellent pick-up. The pick-up from Seattle and I think from Bellingham—although I would not be sure of that—is very good in Vancouver. The American invasion is on and it is something which I think we should do our best to repel.

Mr. White (Middlesex East): There are two questions I should like to ask. One is on item 819, $2 million.

Mr. McCann: That is the one we are now discussing.

Mr. White (Middlesex East): Yes. If I understood the minister correctly, more money is going to be required. Can he give the committee any idea as to how much more it is anticipated will be required for this purpose?

Mr. McCann: In future years?

Mr. White (Middlesex East): Yes; for television work.

Mr. McCann: I could not at the moment hazard a guess at that figure. When I spoke on this matter when the policy of television first came under review, I particularly reminded the house that it was going to be costly. I want to thank the hon. members who have taken part in this debate on television. I think they clearly understand the policy.

With reference to the matter brought to our attention by the hon. member for Vancouver South, I think I can assure him that television will be in Vancouver. At what date, I just do not know nor does anybody else.

The leader of the opposition dealt principally with the matter of private stations being licensed. We are attempting to carry out the recommendations of the Massey commission. I would respectfully call his attention to one of the recommendations which says:

> That no private television broadcasting stations be licensed until the Canadian Broadcasting Corporation has available national television programs and that all private stations be required to serve as outlets for national programs.

In addition to that, Mr. Chairman, there is another reason why these applications cannot be dealt with at the present time, namely the shortage of steel. It became the policy of the government a year ago that no further licences either for sound broadcasting or for television would be considered until that situation was clarified.

With reference to the policy which I have stated, it is Montreal, Toronto and continue in Ottawa next year. Personally, I should like to have seen it extended. I should like to have seen it extended in western Ontario into the Hamilton, London, Windsor area and east as far as Quebec; because if we made that extension we would be able to give service to at least 50 per cent of the people of Canada. I have to include in the policy which we considered those areas that I have mentioned, and in addition Vancouver

and Winnipeg. If the policy were followed of having a station in each of the provinces throughout Canada we would be able to service something in the neighbourhood of 75 per cent of the population. I think we can look forward with hope that technological advances and new techniques will make it possible at some time that there might be a complete coverage of the whole of Canada in a system which has national outlets in each of the provinces, in combination with a system of private stations which will be perhaps duplicating in some cities but which in other cities will be one national system having transmitter stations.

I can only say that this is a loan which will be repaid with interest and the C.B.C. are optimistic enough to believe that their revenue, from the licence fees when they are set up and from commercial programs, will be such that this will be a self-liquidating loan.

The Deputy Chairman: Shall the item carry?

Mr. Drew: No, Mr. Chairman. There are two points I wish to mention which have been raised in the discussion. First of all, I must say that I hope no impression has been conveyed that the Massey report is regarded as sacrosanct.

Mr. McCann: Oh, no.

Mr. Drew: After all, there are in it many excellent recommendations and there are in it many recommendations with which I think there may be considerable disagreement. I do not think there is by any manner of means uniform agreement with regard to the recommendations in connection with the procedure by which television will be carried out. What I particularly wish to refer to is a comment that was made by the hon. member for Rosetown-Biggar in connection with the use of films. He spoke of the fact that if we were extending the operation of television and were using films, we would be simply increasing, shall we say, the United States content of the program because of our dependence on United States films. I think we are over-emphasizing our dependence on United States films when we speak of the type of film that would be broadcast over television.

Mr. Coldwell: Have we enough of them?

Mr. Drew: What television is mainly using is film for news broadcasts. We have excellent moving picture reporters in this country who take moving pictures of events. We are not in any way dependent upon the United States for portrayals of life in Canada by moving picture films. Just a few days ago I saw a film that perhaps many hon. members saw much earlier. I saw a picture on Newfoundland produced by Crawley Films here in Ottawa. It is as fine a documentary film as I have ever seen. It is a film that every Canadian should see. It is the kind of film that over television would be producing a really educational program.

There are many other films produced by public and private agencies in Canada. We would be in no way dependent upon United States films. On the contrary, if we made more television stations available we would help to build up a Canadian moving picture industry on a scale that we have not yet been able to contemplate. For that reason I suggest that the two go hand in hand, and that the handling of television may well provide the first real opportunity we have had to extend the moving picture activity in this country in the way that I hope it can be developed, in the interests of an effective portrayal of the life of the Canadian people.

Mr. White (Middlesex East): I wish to thank the minister for the rather full report he gave in answer to my question with regard to what was likely to be done and how much would be required to continue developing television. We in western Ontario are in a position similar to that described by the hon. member for Vancouver South. We are close to United States cities, and there is a considerable amount of television being seen and used in western Ontario. I was wondering whether the minister would care to suggest how soon we could expect Canadian television to be relayed to London and western Ontario points.

The Deputy Chairman: Shall the item carry?

Mr. Low: I am inclined to agree that the minister and his department will have some trouble with remote parts of Canada, as the leader of the opposition has said, if our efforts toward television are directed to the large cities. I am sure some arrangement will have to be worked out between the C.B.C. and the private stations. I do not see any way out of it. As the leader of the opposition has said, I do believe sufficient films will be made available to make it possible for these Canadian private stations to give service to other parts of Canada. I feel quite sure the minister himself is convinced that a form of agreement between the C.B.C. and private stations can be worked out and I am quite sure he realizes that that agreement could lay down some fairly specific regulations so that the private stations would

not be giving the kind of thing that we get from across the line so often.

I am convinced that the only way we will ever satisfy the people throughout the country and be fair to them is to give them the advantage as soon as possible of some television facilities outside of those large areas.

Mr. Coldwell: I do not want to prolong the discussion. May I just point this out. Those of us who were on the committee looking into the operation of the national film board got some idea of the time it takes to make a single film which would be broadcast and probably occupy half an hour of television time. It takes weeks. The leader of the opposition mentioned the Crawley film, which is an excellent film. I understood it took a very long period of time to make. The point I am making is this. There would not be a sufficient number of films of the type that the leader of the opposition had in mind to fill the time that would be necessary in order that the private stations could get the revenue that would compensate them for the facilities and for those activities.

Those are considerations that we must always keep in mind in discussing this. I quite agree with the leader of the opposition that there are very excellent reporters, camera men, who can operate a camera at sports events; but when you think of the sports events that are likely to be televised, again that would only occupy a relatively very small amount of television time. That is what I have in mind.

Mr. Fournier (Hull): May I move that the committee rise, report progress and ask leave to sit again today? I wish to move a motion with the consent of the house.

Progress reported.

BUSINESS OF THE HOUSE

HOURS OF SITTING TODAY

Hon. Alphonse Fournier (Minister of Public Works): Mr. Speaker, after consulting the leaders of the opposition parties I wish to move, by leave:

That, notwithstanding the terms of any special or standing order, the house remain in continuous session this day until otherwise ordered.

Motion agreed to.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

Ottawa, July 4, 1952

Sir,

I have the honour to inform you that the Honourable Patrick Kerwin, a judge of the Supreme Court of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate chamber on Friday, the 4th July, at three o'clock, p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
sir,
Your obedient servant,
J. F. Delaute,
Secretary to the Governor General
(Administrative)

SUPPLY

The house in committee of supply, Mr. Robinson in the chair.

DEPARTMENT OF NATIONAL REVENUE

819. Loans, investments and advances—Canadian Broadcasting Corporation—

Mr. McCann: I just want to reply to the hon. member for Middlesex East. I cannot give him a positive answer as to when people in the London district are likely to receive television programs. That will depend entirely upon government policy with reference to extension into that area; and, second, when parliament will vote the money to carry on that extension.

Item agreed to.

DEPARTMENT OF CITIZENSHIP AND IMMIGRATION

57. Departmental administration, $244,046.

The Deputy Chairman: For the convenience of hon. members may I point out that the votes will be found commencing at page 9 of the blue book of estimates and the details at page 130.

Mr. White (Middlesex East): During the time the committee was reviewing the immigration bill I had intended to say something on immigration, but at that time I thought possibly my remarks might be confined to the bill. There are some other things I wanted to say, but I have refrained until now from saying them on the floor of the house.

I was one of the committee that reviewed the act clause by clause, and I must say that I cannot see any great number of flaws in it. If I were going to disagree with any at all, possibly it would be that part which requires the transportation companies to assume the cost of deportation of undesirables.

What I have to say then has to do not particularly with the act but with its administration. During my years as a member I have had something to do with nearly all the departments of government at one time or another. While all the problems that I have referred to the department of immigration have received courteous attention, the results in every case have been negative.

Never once have I been able to get any good results. There has been delay, procrastination and excuses right down the line. I mention this because I was brought up to play ball, and I will play ball with any department, but I am not going to field all the foul balls all the time.

I am going to mention one case in particular. This case went on over quite a long period of time, and the department told me finally that there were a good number of reasons why this immigrant could not come to this country. Three weeks after the immigrant landed I was still being told by the department that he could not come here.

I have documentary proof to back up the cases I am going to cite. There is a feeling throughout the country of dissatisfaction with the operations of this department. There is a certain amount of speculation upon whom will fall the mantle of leadership and on a good many occasions the name of the minister has been mentioned favourably.

Mr. Harris (Grey-Bruce): Mr. Chairman, on a question of privilege, the leadership of the Liberal party is in the very best hands and there are a great many people in Canada who hope that it remains that way.

Mr. White (Middlesex East): Nevertheless if the minister is going to be judged upon the operations of the department of immigration I am afraid that he is losing favour with a certain number of people. I mention this for his own good; I do not care how he looks at it.

Ordinarily I do not take up a great deal of the time of the committee and this being the last day of the session probably I should apologize, but there are a few cases to which I should like to refer. I have the case of a farmer who wanted to bring out a farmer from his native country. This farmer went back to his native land on a visit and saw this other man. Yet a year and a half later he is still there. One excuse after another has been offered, but he has not been able to come.

Mr. Harris (Grey-Bruce): What country?

Mr. White (Middlesex East): Switzerland. I have under my hand a circular put out by the deputy minister of labour. I do not think this was sent to members of parliament as I think it came to my home. It is addressed to Canadian employers and reads in part as follows:

> —one thousand farm workers and 500 other classes, and some farm couples. There are also married couples who would be suitable for farm work and a few families with agricultural backgrounds.
>
> [Mr. White (Middlesex East).]

On January 5 I wrote to the department in connection with a farmer who wanted a married couple with three, four or five children of public school age or older. Up to date he has not been able to secure that couple. I was told that they were not available so I went to the trouble of advertising in a German newspaper and I have here twelve applications from suitable families who are anxious and willing to come. There has been nothing but excuses from the department; they were not able to get them. I think that is the complete answer. These families are available if they want to find them. This farmer has a good brick house, a garden, cattle and everything they would need and he operates one of the finest farms in the country. Yet this family was not available.

I have another case here where an application was made early in June 1949, and the negotiations went on—you can see the thickness of the file—until some time in September, 1951. I mentioned this case in committee. At that time I received a letter from a Liberal lawyer saying that I would not need to take any more action in the case because he was taking it up. In December of that same year the immigrant, who had been refused admission because of tuberculosis, was admitted to the country. I can give the name and all the details. Apparently that was the best cure for tuberculosis that could be found, and it was certainly the quickest.

These are things that get under my skin and the public generally do not like them. I would be the first to object to anyone being admitted to the country who could not meet the health requirements. Early in the session I asked question No. 16 on the order paper which had to deal with the number of immigrants coming to this country who had been admitted to hospital because of tuberculosis. I should like to quote the questions I asked and the answers given by the minister as reported on page 348 of *Hansard* of March 12, as follows:

> Mr. White (Middlesex East):
>
> 1. How many immigrants who came to Canada during the past two years have been hospitalized because of tuberculosis, in the following groups (a) immigrants from commonwealth countries; (b) displaced persons; (c) all others?
>
> 2. How many in each of these groups were discovered to have the disease within six months of coming to Canada?
>
> Mr. Harris (Grey-Bruce):
>
> 1. Cases reported to Department of Citizenship and Immigration (a) 4; (b) 2; (c) 8; total 14.
>
> 2. (a) 3; (b) 1; (c) 4; total 8.

I realize that that may be a correct reply as far as the department is concerned, but it does not give a true picture of what happened because probably many cases are hospitalized and not reported to the department. To back up that statement I have here in my

hand a statement from a very reliable authority that has had to do with some of these cases. I should like to indicate some of the things that I think should be done in order to see that persons coming to Canada are properly examined as far as tuberculosis is concerned.

There should be a most thorough study made of X-rays of the chest. The X-ray film should be at least four inches by five inches, and preferably fourteen inches by seventeen inches. Any suggested lesion in the film should delay the individual coming to Canada until such time as it is felt that there is absolutely no evidence of activity. A miniature film of the chest should be taken within a month following the individual's arrival in Canada. This should be kept for record purposes in a suitable film library. A repeat X-ray of the chest should be taken six months after arrival and possibly a third eighteen months after arrival. These X-rays need be only of the miniature variety. Too often immigrants coming to Canada are lost track of and are not followed up with repeat X-ray films of the chest as they should be. In the case of children, it might be well to have them tuberculin skin tested shortly after arrival in Canada.

While I am dealing with immigration, there is one question that has been mentioned many times before to which I should like to refer. Dominion bureau of statistics figures reveal that during the past ten years 591,000 odd immigrants came to Canada, and that in the same period some 486,000 people left Canada, so that we actually had a net gain of one out of each six who came here.

Mr. Harris (Grey-Bruce): What years did you quote?

Mr. White (Middlesex East): These are figures released by the dominion bureau of statistics, and they show that although 591,000 immigrants entered Canada during the last ten years 486,000 people left during the same period.

Mr. Harris (Grey-Bruce): What ten years is that?

Mr. White (Middlesex East): The ten years previous to 1951.

Mr. Harris (Grey-Bruce): Whose figures are you quoting?

Mr. White (Middlesex East): These are figures that the leader of the opposition used in a speech at Toronto recently.

Mr. Harris (Grey-Bruce): I thought you were quoting D.B.S. figures.

Mr. White (Middlesex East): They were dominion bureau of statistics figures that he quoted.

Mr. Harris (Grey-Bruce): I should like to see them.

Mr. White (Middlesex East): I think Canadians generally feel that with our vast areas we need more people of the right class. After all, as soon as an immigrant comes to this country he is immediately in the market for all the goods and services that he can purchase. I have said before that it would be far better to have these people in Canada producing wealth of one kind and another than to have them in Europe or elsewhere and have to give food and other things to them. As soon as they come here they become self-supporting and more. With all our great natural resources we can certainly absorb a great number of them. When they come here they become consumers, producers and taxpayers; they will likely have to pay sales tax on the very first item they purchase. They will be consumers of some of the surplus food products that the farmers of Canada are finding it difficult to dispose of at the present time.

One of the difficulties in securing the type of immigrant that we desire is the fact that many people in Europe who would like to come here have a stake in their homeland. They have investments there. They are the ones who would make good citizens here but because of the inconvertibility of exchange they are not able to bring very much of their resources to this country. Consequently they hesitate to leave their homeland where they already have a stake. I wonder if it would not be good policy on the part of the government to make long term loans to such people taking as collateral 25 per cent, 50 per cent, 75 per cent or whatever you like of their holdings in their homeland. Over a period of years it is quite possible that we would accumulate investments in other countries which would be quite an asset to us, especially if our dollar continues to rise. That would enable immigrants to come to this country who have demonstrated a certain amount of ability in their homeland.

I know very well that there are a good many in the British isles and elsewhere who would come here if they were able to bring a good portion of their wealth with them and invest it here. I think it is rather discouraging to many Canadians that the bulk of the emigrants from the United Kingdom are going to Australia, New Zealand and other places rather than to Canada. From the experience I have had in my constituency and elsewhere I do not believe there is anything, with the exception of the cost of

living and taxation, that is of more concern to people generally than the question of immigration. In view of what I have said to the minister I hope he will revise his plans and adopt some of the suggestions I have made. I must confess that all the dealings I have had with the department have been discouraging.

Mr. Harris (Grey-Bruce): I am sorry to hear my hon. friend say what he has said. Of course I am at a slight disadvantage. He has not done me the favour of referring these particular cases to me either by name or by any other means so that I could identify them. I want to point out to the committee, however, that as he himself admits it is undesirable to admit to this country people suffering from tuberculosis or similar diseases. He cited one case that he said had been before the department for over two years. I take it during that time my hon. friend was seeking to convince the government that they ought to admit that particular immigrant because he did not have tuberculosis, and on pure speculation I would also think that during that time it would be safe to say that the department was writing to my hon. friend and saying that we were taking other X-rays of that particular person and hoping that the results would be more favourable in the future, as has turned out to be the case in the end. Would that be correct?

Mr. White (Middlesex East): That is about correct.

Mr. Harris (Grey-Bruce): Then I suggest my hon. friend was not being entirely fair with the committee in his comments. He also raised the question of obtaining a farm family with a specific number of children. I am sorry that we have not been able to produce a farm family according to those specifications. We do our best, as I think my hon. friend knows. I think he will also agree with me that in the main the farm workers in Ontario are of Dutch and German origin, and that the choice of those who are to be Dutch immigrants lies largely with the Netherlands government as a result of our agreement. Of course we have an interest in their health and other matters. At the same time I must express surprise and disappointment that in the matter of five months we were not able to find a family with the specified number of children for that particular farmer, and if he will again refer the matter to me I shall be delighted to see what I can do, even in the short time we have.

My hon. friend raised two other points. One was that a greater proportion of the immigration should be from the United Kingdom. He may have been present in the house when I said a little over a month ago that immigration from the United Kingdom was a greater proportion of the total this year. I would ask leave to table a statement of the immigration for the first five months which will indicate that during that time immigration from the United Kingdom rose something in the order of 75 or 80 per cent over the comparable period of 1951. It also indicates that immigration from France rose over 100 per cent, and that immigration from the north European countries is generally up and immigration from other areas generally down.

Finally, my hon. friend referred to some 590,000 immigrants having entered this country and over 480,000 having left. I can only say that I am not aware of the dominion bureau of statistics ever having issued figures of that kind. If he will give me the reference I shall be glad to look into it.

Mr. Coldwell: Mr. Chairman, there is a matter I wish to refer to, and it is this. My mind goes back to April of 1949. There had been a conference of commonwealth prime ministers and I recollect that the Prime Minister of Canada made a statement following the decision of India and the commonwealth countries for her to remain within the commonwealth as an independent republic and he said:

> Everyone will rejoice in the fact that, notwithstanding the exercise by the people of India of their right to determine the form of their domestic government, it has been found possible to have India remain a member of the commonwealth and to continue for the peace of the world the association of those nations whose traditions give them the same concept of a proper way of living and of democratic processes designed to further the welfare of the men and women of their respective nations.

That of course was the comment made on the announcement from London in April of 1949 of the association of India with the commonwealth. The declaration read this way:

> Accordingly, the United Kingdom, Canada, Australia, New Zealand, South Africa, India, Pakistan and Ceylon hereby declare that they remain united as free—

And I want to draw attention to the next words.

> —and equal members of the commonwealth of nations, freely co-operating in the pursuit of peace, liberty and progress.

That evoked statements by the leader of the opposition, myself, and others in the house expressing our approval both of the statement and of what was involved. I am rising this afternoon to say, as briefly as I can, that while there may be some equality among the component parts of the commonwealth as countries Canada is not according to the citizens of all the commonwealth countries associated with her equal status as

individuals when it comes to immigration. I think it is a matter of some concern that considerable dissatisfaction has been created among persons of commonwealth origin because they have not been granted the same privilege of bringing their relatives to Canada as has been granted to persons of European origin living in Canada. I think that is a matter that should be carefully considered by the department and by the house.

After all the world is undergoing very great changes and I think that one of the vital matters that we have to consider within the commonwealth is the great value of the association of Pakistan, India and Ceylon with our commonwealth countries. As long as we continue to exercise any discrimination against persons of origins within other commonwealth countries so long shall we be endangering that association.

Now I know that the people of those countries, and particularly of India, realize that there are difficulties in opening wide the gates of immigration into this country, and consequently there is an arrangement between India and Canada regarding a quota system as applied to our fellow commonwealth citizens from India. I do not think that there is a quota imposed by India against Canadians who wish to reside in India. I am not sure of that but I think I am right in saying it.

On the occasion to which I refer I said:

> We are now associated with a great people differing in creed, in colour and in all that guides the long evolution of a race and determines its characteristics. I hope that this will enable us in our country, and those in the countries associated with us, to end forever every vestige of racial and religious discrimination and intolerance among the people of this commonwealth.

I feel that has not been carried out and that the vestiges remain through the fact that our fellow citizens of commonwealth origin are denied the privilege of bringing their relatives to Canada, as do their fellow citizens of European origins. That is a matter of great concern to all of us and particularly, of course, to the proud people of India who have set up their independent republic but have remained associated with us in the commonwealth.

The restriction is imposed by order in council P.C. 2743 under the authority, of course, of the Immigration Act, which provides:

> the provisions hereinbefore set out shall not apply to immigrants of any Asiatic race.

I am not going into that generally this morning though I hold the view that this discrimination is dangerous and also that P.C. 2115 is dangerous. We are living in a world today when we are on trial as democratic countries and our opponents in their propaganda use every possible means to show that we are giving lip service to freedom, equality and democracy but that we are not fulfilling our obligations in those respects within the borders of our own country.

I want to say to the minister, apart altogether from the reference to Asiatic persons and persons of Asiatic origin in general, that particular consideration should be given to this matter of restricting the entry into Canada of relatives of those who are already happily and usefully settled in our country.

I do not want to discuss the two points involved this morning but what I want to do is focus the attention of the minister and the house on this one disability, the disability imposed upon residents of Canada, of India and commonwealth origin—a disability imposed so that they may not bring into the country their close relatives except under a quota system not imposed on those of European origin. That is the point I want to bring home to the minister and I ask for reconsideration in order to remove the dissatisfaction that is quite properly felt by our compatriots of Indian origin.

Mr. Low: I would like to follow up what has been said by the hon. member for Rosetown-Biggar. I want to say at the outset that I believe the minister is doing a good job. He has begun to get hold of this whole department and is doing in my judgment an excellent job.

I am not in favour of an open-door policy at all. I believe a wisely selective and executed policy is best for our country; but at the same time I do believe that since these Indian people have come to Canada and have been granted citizenship and are proving themselves to be good citizens, and also since they have become partners in the commonwealth and are associated with the other parts of the commonwealth on a satisfactory basis, there remains no good reason why the restrictions and provisos of P.C. 2743 should continue to apply to them. I believe that the East Indian Canadian citizens should be allowed to bring their relatives on the same basis as members of any other racial group who come to Canada under the quota.

I agree with the minister that a quota should be continued on some negotiated basis, whatever it may be. Certainly I believe we should give very careful consideration indeed to placing—

Mr. Coldwell: Would you include relatives and friends in the quota?

Mr. Low: Yes. As a matter of fact, I think wherever the quota is applied the East Indian people already here should be allowed to name the greater part of those who do come. I believe that would solve the situation. I think they would be happy under that sort

of agreement. There should be some sort of quota, but the major portion of those who come in the future ought to be nominated by the people who are already here.

I hope the minister will remove this restriction against the East Indian people. I do not consider for one moment that the East Indian people should be lumped in with the Asiatic races as they are now under the immigration law.

Mr. Harris (Grey-Bruce): Lest there be any misunderstanding of this point I should like to say a word about it. I do not want to take any time, and I appreciate what hon. members have said. I think they may be overlooking what the practice is. In that connection, may I point out that it was the present government that negotiated the agreement with these countries which set the quota over and above that which existed up to the end of 1950. At that time a very limited number in the close relative classes could be admitted from India. In the settlement of the arrangement that 150 additional might come from that country, certain additional agreements were made. Those agreements were that preference would be given to what may be termed close relatives, though not as close as I think the hon. member would lead us to believe. Under P.C. 2115 the wife and unmarried children under certain conditions may come into the country. Then when he speaks of close relatives he may be thinking perhaps of grandchildren, brothers and sisters.

Now those persons obtain preference in the 150 quota, and to be precise we set aside I think it was 50 of the 150 for that group. To go further, I might say there were not 50 applicants, so anybody in Canada of East Indian origin who has applied for a close relative in the group the hon. members have been mentioning, and who has had his application refused, has been refused on some ground other than the quota. There was more than ample room for all the close relatives group that have been mentioned.

Mr. Low: I appreciate that, but is it not true that the proviso to P.C. 2743 states that the provision hereinbefore set out shall not apply to immigrants of any Asiatic race, and that that still applies to the East Indian people? What I would suggest is that whatever may be the arrangement with respect to quota, it would be advisable to remove the people of East Indian origin from the terms of the restrictive order in council.

Mr. Harris (Grey-Bruce): I may say that P.C. 2743 was repealed two years ago. The hon. member is probably referring to P.C. 2856.

[Mr. Low.]

Mr. Drew: I want to add my comment on this subject. I have deferred my comments because I intended to include them in the general remarks I propose to make later. Since this matter has been raised, I wish to emphasize that I do not think it is satisfactory that any arrangement for immigration into Canada for residents of India, Pakistan or Ceylon should simply be bulked in any order in council that applies to immigration from Asia.

The member for Rosetown-Biggar has pointed out that at the time we welcomed the new association with India, Pakistan and Ceylon which was established some little time ago, I expressed my pleasure that this step had been taken. At that time I indicated my own belief that by every means within our power we should demonstrate our desire to show that we recognize this partnership and regard India, Pakistan and Ceylon as belonging to a great world partnership. Anything less than that would be inclined to impair what may easily be one of the most important international relationships that now exist. I do not want to repeat the arguments I have made over and over again that there can be few things more important today than seeking to strengthen the bonds of friendship between the free nations of the British commonwealth.

There can be few experiments with greater influence on the future than the joining in a friendly arrangement of this kind of the great free nations of Asia with the nations of North America and Europe. When we hear the figures mentioned, it seems that they are strangely small in comparison with the tremendous populations of these great countries. It seems that they are inconsistent with our desire to express that friendship in practical terms. Nevertheless, those are details that could be worked out. I do urge that in whatever we do we bear in mind that any gesture which demonstrates our desire to recognize our association with India, Pakistan and Ceylon as a real, permanent partnership of free nations within the commonwealth, can be of immense advantage to the whole world.

I simply close my remarks in relation to this particular point by saying I should like the government to consider the importance and advantage of having any arrangements with those three nations of the commonwealth embraced in a separate order in council and a separate agreement. Under no circumstances should they simply be bulked with the general population of Asia, as they have been in the past.

Mr. Coldwell: That is precisely the point we are all trying to make to the minister. As

a matter of fact, some commonwealth countries are subject to certain regulations regarding immigration. I think these still stand. The classes of persons admissible under the order in council are, first, the husband or wife, the son, daughter, brother or sister, together with husband or wife or unmarried child; father or mother; the orphaned nephew or niece under 21 years of age of any person legally resident in Canada who is in a position to receive and care for such relative. The term "orphaned" in this connection means a person bereaved of both parents. Another class of person is a woman intending to get married, so long as the man is able to maintain his intended wife.

Where the discrimination comes in is that that seems applicable to all the commonwealth countries. We are all free and equal for purposes of immigration, and we are grouped together as persons born in or naturalized within commonwealth countries; but under another order in council, P.C. 2115, we prohibit the entry of those of any Asiatic race, except of course under the agreement that has been referred to. There is the discrimination which is irksome, and I think is understandably disliked by our fellow citizens in India and the east.

Mr. Harris (Grey-Bruce): May I add to what has been said by pointing out that the agreement with this country specifically excludes P.C. 2115. It sets out an agreement for migration from that country. That has removed the discrimination my hon. friend has spoken about.

Mr. Coldwell: Only to a limited extent.

Mr. Harris (Grey-Bruce): Perhaps so.

Mr. Roberge: I should like to ask the minister to give consideration to some temporary officers in his department who have been in the service for many years and who are still temporary. I have in my constituency a few of these men who have been working in the immigration department for probably five or six years. They own their homes and have been doing a good job. They still do not know what is going to happen; they seem to be uneasy about the future. They have approached me a couple of times. I should like to place this request before the minister and ask him if he would consider increasing the number of permanent employees in his department by a reasonable number. I think there are now some 60 or 65 permanent. I would suggest that he might bring the figure up to 75, in cases where the trend in the port is on the increase and the officers in question are perfectly satisfactory to the department.

The other question I should like to ask is with regard to the combined work of immigration and customs. In some ports apparently it has not proved to be as satisfactory as had been expected. Does the minister think that work will be carried on in the future, or have there been any changes? In some instances commercial officials have been attended by some of the immigration inspectors and some by customs and immigration inspectors. This procedure has not proven to be fully satisfactory, and I was wondering whether the minister would give us an idea as to how this procedure has worked out in the last year or so.

Mr. Harris (Grey-Bruce): I can assure the hon. member that there is an increase in the permanent establishment from 70 to 85. I shall look into the other question.

Mr. Roberge: Thank you.

Mr. Macdonnell (Greenwood): Is the minister going to make a general statement on immigration policy? I had hoped to catch the chairman's eye earlier but I am raising the question now.

Mr. Harris (Grey-Bruce): I had one ready, Mr. Chairman, but the hon. member for Middlesex East intervened first in the debate and we have been proceeding from that point.

Mr. Macdonnell (Greenwood): Will the minister make the statement now?

Mr. Harris (Grey-Bruce): I think so.

Mr. Chairman, in presenting the annual report on immigration I should like to deal with the many things which occurred before and during the year 1951 which gave rise to the largest and most successful immigrant year since the war. Before doing so, however, it would be just as well for me to re-state the policy of immigration to which I have referred on every occasion that I have presented a report to the house. That policy is to admit to Canada in numbers not exceeding the absorptive capacity of our country and without altering the fundamental character of our people, such persons as are likely to contribute to our national life.

This department was created in January 1950, though, of course, it was a combination of branches of government already at that time functioning. When the first estimates were presented in this house, many members said that the government was not doing much about immigration, that we had no plan for immigration; that they were quite dissatisfied with the reduction in the number of immigrants from 1948, when there were 125,000 admitted, to 1949 when there were about

90,000 admitted. During the debates in the spring of 1950, while no figure was placed upon the numbers who might come in, many stated that 90,000 was not sufficient. I think this was in keeping with the opinion of nearly all members of the house who spoke in the debates, at the end of the war, about immigration. There had been almost unanimous approval for the admission to Canada of people from Europe, especially those persons who had a claim upon our charity by reason of the unfortunate plight in which they found themselves. In addition, everyone recognized that Canada could only grow substantially if it grew by taking immigrants as well as by natural growth. And it was generally agreed that Canada should grow in numbers so as to be able to develop our great resources. The debates of 1945-6-7-8 show clearly that parliament was almost unanimous in its belief that immigration as a policy was desirable. Believing as we did that immigration could assist in the building of our country and people, we undertook throughout 1950 every step which we thought was in the interests of the Canadian people to stimulate immigration, without at the same time imposing upon the Canadian taxpayer any expense which was not justified.

As we saw it in the fall and winter of 1950-51, there was an unsatisfied demand for almost every form of labour in Canada. As well there was a demand for farm settlers because of the regularly changing population on the farm. In addition, there were complaints that the re-armament program was not progressing fast enough. So it became known abroad that Canada was accepting immigrants and large numbers made arrangements to come to what they were sure was the country of the future.

I am satisfied that everything which could have been done last year to stimulate immigration was done; and I am satisfied, sir, that those who came here were not only welcome, they were actually needed.

May I have consent to table a statement for the calendar year 1951 as well as the five months' statement for this year that I mentioned earlier?

The Deputy Chairman: Is it agreed?

Some hon. Members: Agreed.

Mr. Harris (Grey-Bruce): The statements are as follows:

IMMIGRATION TO CANADA, BY ORIGINS FROM OVERSEAS AND TOTALS FROM THE UNITED STATES

—	Calendar Year 1950	Calendar Year 1951	Percentages of increase
English	8,700	19,109	
Irish	1,362	2,506	
Scottish	3,123	9,201	
Welsh	242	554	
TOTALS	13,427	31,370	134
United States	7,799	7,732	
North European—			
Belgian	457	2,638	
Danish	905	4,613	
Dutch	7,404	19,130	
Finnish	483	4,130	
French	1,188	6,193	
German	5,825	32,395	
Icelandic	13	18	
Norwegian	237	896	
Swedish	139	798	
Swiss	409	1,061	
TOTALS	17,060	71,872	321
Others—			
Albanian	28	54	
Arabian	28	52	
Armenian	35	80	
Bulgarian	85	360	
Chinese	1,741	2,697	
Czecho-Slovakian	1,441	3,142	
East Indian	77	97	
Estonian	1,949	4,573	
Greek	866	2,885	
Hebrew	2,429	6,599	
Iranian	2	7	
Italian	9,059	24,351	
Japanese	11	3	
Jugo-Slavian	1,013	4,144	
Lettish	1,766	2,789	
Lithuanian	960	1,330	
Magyar	1,577	4,376	
Maltese	840	1,600	
Mexican	2	12	
Negro	90	91	
North American Indian	1	.....	
Polish	6,612	12,938	
Portuguese	87	157	
Roumanian	392	995	
Russian	604	2,273	
Spanish	67	671	
Syrian	86	208	
Turkish	9	19	
Ukrainian	3,769	6,894	
Others	.....	20	
TOTALS	35,626	83,417	134
GRAND TOTALS	73,912	194,391	163

IMMIGRATION TO CANADA SHOWING SEX, OCCUPATION AND DESTINATION FOR THE CALENDAR YEAR 1951

—	From Overseas	From U.S.A.	Totals
Sex—			
Adult Males	93,133	2,685	95,818
Adult Females	50,118	3,121	53,239
Children under 18	43,408	1,926	45,334
TOTALS	186,659	7,732	194,391
Occupation—			
Farming	25,639	251	25,890
Unskilled and Semi-skilled	30,551	456	31,007
Skilled	32,988	694	33,682
Clerical	4,858	459	5,317
Professional	3,390	611	4,001
Trading	2,444	512	2,956
Female Domestics	6,477	54	6,531
Others	4,570	832	5,402
TOTAL WORKERS	110,917	3,869	114,786
Dependent Wives	32,949	1,989	34,938
Dependent Children	42,793	1,874	44,667
TOTAL DEPENDENTS	75,742	3,863	79,605
Destination—			
Newfoundland	207	52	259
Nova Scotia	1,785	250	2,035
New Brunswick	1,214	209	1,423
P.E. Island	178	33	211
Quebec	44,570	1,463	46,033
Ontario	101,522	3,320	104,842
Manitoba	8,511	238	8,749
Saskatchewan	4,020	158	4,178
Alberta	11,440	798	12,238
British Columbia	13,198	1,196	14,394
Yukon and Northwest Territories	14	15	29

IMMIGRATION TO CANADA, BY RACIAL ORIGIN FROM OVERSEAS AND TOTALS FROM THE UNITED STATES

—	Five Months ended May 31, 1951	Five Months ended May 31, 1952	Percentages of Increase and Decrease
English	6,462	11,303	
Irish	856	1,945	
Scottish	3,091	5,046	
Welsh	190	371	
TOTALS	10,599	18,665	76+
United States	2,926	3,006	3+
North European—			
Belgian	866	777	
Danish	1,598	1,167	
Dutch	9,132	11,184	
Finnish	502	1,547	
French	1,747	2,426	
*German	5,993	12,566	
Icelandic	4	18	
Norwegian	218	601	
Swedish	215	263	
Swiss	402	753	
TOTALS	20,677	31,302	51+
Others—			
Albanian	18	16	
Arabian	26	26	
Armenian	26	31	
Bulgarian	126	83	
Chinese	1,106	1,150	
Czecho-Slovakian	1,401	613	
East Indian	41	32	
Estonian	2,434	660	
Greek	862	703	
Hebrew	2,416	2,326	
Iranian	3	7	
Italian	6,076	12,118	
Japanese	2	1	
Jugo-Slavian	1,238	1,458	
Lettish	1,059	1,050	
Lithuanian	407	549	
Magyar	1,456	925	
Maltese	306	136	
Mexican	2	4	
Negro	30	26	
Polish	4,113	3,724	
Portuguese	34	58	
Roumanian	306	242	
Russian	475	725	
Spanish	59	171	
Syrian	56	86	
Turkish	9	9	
Ukrainian	2,073	2,169	
Others	1	17	
TOTALS	26,154	29,115	11+
GRAND TOTALS	60,356	82,088	36+

* Includes an estimated 1,382 Austrians during 1952.

IMMIGRATION TO CANADA SHOWING SEX, OCCUPATION AND DESTINATION FOR THE FIVE MONTHS ENDED MAY 31, 1952

—	From Overseas	From U.S.A.	Totals
Sex—			
Adult Males	36,653	1,133	37,786
Adult Females	22,633	1,131	23,764
Children under 18	19,796	742	20,538
TOTALS	79,082	3,006	82,088
Occupation—			
Gainfully Occupied—			
Farming	9,473	99	9,572
Unskilled and Semi-skilled	12,384	195	12,579
Skilled	12,688	221	12,909
Clerical	2,932	151	3,083
Professional	2,308	377	2,685
Trading	1,338	169	1,507
Female Domestics	2,915	17	2,932
Others	748	45	793
TOTALS	44,786	1,274	46,060
Not Gainfully Occupied—			
Dependent Wives	13,332	761	14,093
Dependent Children	19,135	732	19,867
Others	1,829	239	2,068
TOTALS	34,296	1,732	36,028
Destination—			
Newfoundland	136	27	163
Nova Scotia	1,287	78	1,365
New Brunswick	361	55	416
Prince Edward Island	107	14	121
Quebec	17,712	461	18,173
Ontario	43,160	1,110	44,270
Manitoba	3,107	73	3,180
Saskatchewan	1,590	85	1,675
Alberta	5,258	560	5,818
British Columbia	6,356	536	6,892
Yukon and Northwest Territories	8	7	15

As this year began it became evident that there were less demands for immigration as the needs were being met.

When the supplementary estimates of the Department of Citizenship and Immigration were being considered I gave the house certain undertakings that at the appropriate time I would deal with certain matters.

On several occasions during the discussion of the supplementary estimates the matter of farm workers was raised and concern was expressed over the fact that a proportion of those people who secured admission to Canada because they represented themselves as farm labourers were not staying on the farm for their allotted period.

The fact is that a very large majority of those who come to Canada as farm workers have remained on the farm for their allotted period and, indeed, many have remained well beyond it and are still on the land even though they came to Canada three and four years ago.

[Mr. Harris (Grey-Bruce).]

We hear, of course, about the man who does not live up to his obligations. We hear nothing much about the thousands who do and the result has been that the small percentage of defaulting farm workers stand out in unfortunate contrast to the others.

One of the objects of the Canadian immigration policy is to build up Canadian agriculture. We are doing that and in proof of that statement I would put on the record the achievement of just one racial group, those from the Netherlands. It is true those from the Netherlands are, perhaps, a little different from the average farm labourer. Their roots are perhaps a little more deeply in the soil. They move as a family unit in many cases and the selection is made with the co-operation of Netherlands authorities.

However, from the inception of the movement from Holland, up until March 30, 1952, a total of about fifteen thousand Dutch families had come forward to Canada. Of

these more than 4,500 families are now farming on their own account, either as farm owners or farm tenants. Many thousands more are still employed on the farms of Canadians, learning Canadian methods, saving their money and planning for the time when they will have farms of their own.

It would, of course, be possible to take steps which would ensure that the man who says he is coming to Canada as a farm worker remains a farm worker. We could even hold the possibility of deportation over his head, as indeed is done in some countries. However, it is my opinion that the Canadian people would be entirely opposed to any such practice. It would be contrary to the whole Canadian belief in freedom of the individual.

It is much better, I believe, to ensure through our selection that the farm labourer who comes to Canada comes from a farming background in his homeland, and is of a type most likely to make a lifetime career out of farming in Canada.

The hon. member for Winnipeg South Centre was anxious to know whether in our planning we took into account the jobs available and the areas in which they were available, and whether consideration was given to the countries from which immigrants are selected. The answer in both cases is "yes". First of all I want to make it clear that no policy of immigration can be operated on a stop and go basis. We cannot possibly develop that policy on a plan that calls for one specific immigrant for one specific opportunity. We must be prepared to have faith in our country and the opportunity it will offer to those prepared to work. This means that if we believe in Canada's future, if we believe ours is a developing country, we must be prepared to bring in some people, knowing that when they are on the ground Canada will have a place for them.

In regard to the question of planning and the countries of selection, I wish to assure the house that every effort is being made to increase the number of immigrants from the United Kingdom and France, and I am glad to report that during the fiscal year 1951-52 a total of 36,000 immigrants of English, Scottish, Irish and Welsh origin came to Canada, as compared with 15,429 in the previous fiscal year. From France we received 6,666 as compared with 1,845. We also had a large intake of people from the northern European countries which in the past have contributed a good type of immigrant, who have readily become integrated into the Canadian communities in which they have made their homes. I think every debate on immigration has indicated that it is the desire of this house that we should have a substantial number from northern Europe.

Earlier in the session there were some questions about the assisted passage scheme. The assisted passage plan was suspended last October but has again been in operation since the supplementary estimates were passed.

Under this plan the government advanced to the immigrant a substantial portion of his fare to Canada, provided that he was entering an occupation in Canada where there was definite need of his services. The advance is considered a loan and is recoverable in monthly instalments over a maximum period of two years.

As at the end of May a total of 16,255 had come to Canada under the assisted passage plan, and $2,746,006 had been advanced in fares. So far the record of repayment has been good, and it is anticipated that by the end of July a total in excess of $1 million will have been repaid.

There are two other matters on which I promised information to the house. The first of these concerns those whose establishment in Canada is delayed through no fault of their own, who become indigent as a result of sickness or accident. We have been in communication with all provincial governments in regard to these people and have offered to assume, under some circumstances, half the costs of hospitalization and welfare expended on their behalf. An agreement to this effect has been signed with the province of Ontario and negotiations are continuing with the other nine provinces. I should like to table a copy of that agreement.

The other matter concerns the issuing of fraudulent visas. Earlier in the session I gave the house all the information I felt I could give at the time in view of the investigation which was then going on. I am still somewhat limited in the information I can provide on this matter, but I can report that the investigation by officers of the R.C.M.P. has now been virtually completed. Agents of the Department of Justice have before them the report of the R.C.M.P. and in addition a total of more than 1,200 exhibits which are being carefully studied.

I believe I have completed my undertakings which I gave to hon. members, but I should like to say a word about the quality of the immigrants coming to Canada. A few weeks ago in this house a return was made which indicated that in the past two years a total of 193 new industries had been established in Canada through investment of foreign

capital. Not all these were immigrant industries, of course, but a significant percentage of them were.

It is true that in the years immediately following world war II a substantial percentage of our immigrants were displaced persons, but that percentage has been decreasing and more and more of those coming to Canada have come from a background of employment and the home. Last year only 22 per cent were in the displaced person category. The remainder were people who came to Canada voluntarily because they saw here a developing country, a country with an expanding economy which offered opportunity to those who would work. These people do not arrive here penniless. True, the money they can bring is restricted by currency regulations, but in the calendar year 1951 they brought to Canada more than $60 million in new capital. They brought in other capital, but they also brought skills and all of them and their dependents were consumers from the moment of their arrival here. That, I suggest, is an important aspect of immigration.

Indications for 1952 are that the intake may not reach the 1951 figure. Because of the improved situation in regard to shipping we have been able to move to Canada in the first five months of the year a total of 82,000 persons, but it is expected as well that the figures will decline beginning this month, and it is not the intention of the government to admit certain workers after the end of October.

Substantially higher are the figures for British immigration which totalled 18,665 for the first five months of this year as compared with 10,599 for the first five months of 1951, and indeed a figure which exceeds our total British immigration in the calendar year 1950 by over 5,000. The figures from France are also up, with 2,426 arriving in the first five months of 1952 as compared with 1,747 in the same five months a year ago. The figures for other countries, while greater, are not so in proportion. It would appear that this year there will be a greater percentage from the United Kingdom and northern Europe and a smaller percentage from the other countries. For example, for the first five months 23 per cent of all immigrants were from the United Kingdom as compared with 17½ per cent in 1951; 38 per cent were from northern Europe as compared with 34 per cent in 1951; and 39 per cent were from other countries as compared with 48½ per cent in 1951.

I should like to place on *Hansard* for the benefit of all hon. members a summary of those persons who are admissible to Canada, made up according to the countries of origin and indicating the occupations, the close relative groups and the like, so that hon. members may know precisely who is admissible from what particular country. In particular I should point out that in the past the countries of Turkey, Syria, Lebanon and Iran have been dealt with as if they were under P.C. 2115. This statement indicates that they shall not be so dealt with in the future.

The Deputy Chairman: Order. The minister in his statement referred to a number of documents. Do I understand that the committee has agreed to the tabling of the documents?

Mr. Harris (Grey-Bruce): Yes. The regulations are as follows:

Department of Citizenship and Immigration
Immigration policy

Summary of persons admissible
Under P.C. 2856 and P.C. 2115

1. (A) Persons born or naturalized in the United Kingdom of Great Britain and Northern Ireland, Australia, New Zealand and the Union of South Africa, citizens of Ireland, citizens of the United States, citizens of France, on evidence that they have employment or sufficient means to maintain themselves for a reasonable period after their arrival in Canada, or are sponsored by a legal resident of Canada.

(B) Non-nationals in countries named above:

(i) close relatives, in the following classes, sponsored by a legal resident of Canada,
—Husband or wife;
—Son or daughter, brother or sister, together with husband or wife and unmarried children;
—Father or mother;
—Grandparents;
—Orphan nephew or niece under 21 years of age;
—Fiancé (e) s;

(ii) cases of exceptional merit;

(iii) refugees.

(C) All non-nationals (except refugees) mentioned above require two years' resident in the country where they apply for visa.

2. From Belgium, Luxembourg, Norway, Denmark, Sweden, Switzerland:

(A) Nationals:

(i) Persons in certain trades as may be approved from time to time, who have funds to pay for their transportation and to maintain themselves in Canada until they have secured employment.

(ii) Persons mentioned in paragraph 1 (B) (i) and (ii) above.

(B) Non-nationals as in paragraph 1(B) (i), (ii), (iii) and 1(C) above.

3. From Holland:

(A) Nationals:

(i) Agricultural workers, some artisans and workers selected under agreement with The Netherlands government.

(ii) Persons mentioned in paragraph 1(B) (i) and (ii) above.

(B) Non-nationals as above in 1(B) (i), (ii), (iii) and 1(C).

4. From Germany, Austria, Greece and Finland:
(A) Nationals:
(i) Agriculturists, farm workers, domestics, nurses and nurses' aides.
(ii) Persons mentioned in paragraph 1(B)(i) and (ii) above.

(B) Non-nationals as above in 1(B) (i), (ii), (iii) and 1(C).

5. From Italy:
(A) Nationals:
(i) Workers for whom orders have been approved prior to June 1952.
(ii) Close relatives in the following classes, i.e., husband, wife, minor unmarried children, parents and fiancé (e)s.

(B) Non-nationals as in paragraph 1(B) (i), (ii), (iii) and 1(C) above.

6. From Israel, Turkey, Syria, Lebanon, Iran:
Persons as in paragraph 1(B) (i) and (ii) above.

7. From all other European countries:
Persons as in paragraph 1(B) (i) above.

8. From South America:
(A) Nationals:
(i) Person mentioned in paragraph 1(B) (i) above.
(ii) Other cases on their individual merit.

(B) Non-nationals as in paragraph 1(B) (i), (ii) and 1(C).

9. From British West Indies:
Persons as in paragraph 1(B) (i) and (ii).

10. From India, Pakistan and Ceylon:
(A) Husband or wife and unmarried children under 21 years of age of Canadian citizens, plus those admissible under the agreement with India (150), Pakistan (100), and Ceylon (50).

11. For other Asians:
(A) Husband or wife and unmarried children under 21 years of age of Canadian citizens, and other unmarried children in accordance with statement made in the House of Commons last June.

12. All others:
As in paragraph 1 (B) (i) above.

Mr. Laing: I wish to devote a very few minutes to the Department of Citizenship and Immigration. Substantially I want to compliment the minister on what I think has been a very excellent job done for the Canadian people. Oh, there have been complaints. I remember in Vancouver last winter when for a very short time we had 200 or 300 people who had to be accommodated in an immigration shed, and there were complaints from labour and from other people too that we were bringing people here who could not be accommodated. I hope we will balance this off against the very substantial and infinitely greater number of cases of people who have come to this country in the last two or three years, have become admirably established and have made a great contribution to Canada in their new skills, their new outlook and their old background, if I may say so.

There has been a great deal of success. We hear very little of the success. We hear a great deal of the odd failure. I want to suggest to the minister, in line with the remark of the hon. member for Brant-Wentworth, that we should probably pay a little more attention in a practical way to settling farm immigrants. I think the majority of those people, coming from the northern part of Europe and being independent people, would prefer to work on their own farms as soon as they possibly could after coming here instead of working for someone else.

I have the idea that is a field in which the federal administration could work with the provinces by way of modest loans in setting up farm population on some of our newer land. In the northern half of British Columbia we have vast areas of splendid land which could be opened up, but in many instances these people are coming over with inadequate sums of money.

There are those who say people are not coming in fast enough, that we need people quickly and so on, but we should bear in mind that many countries in Europe are not anxious to lose their people and have set up regulations pertaining to the export of money and so on as a bar to their leaving.

I think in the main we have done a good job. I want to compliment the minister upon his action with regard to one or two minority groups which by and large we have looked upon in the past if not as being undesirable, at least as being difficult to work into the fabric of Canadian life. I refer first to the Chinese who came to Canada in the early part of the century in great numbers. Then we adopted a closed door policy against them. In recent years the minister and his department has given attention to bringing over some of the close relatives of these people.

I want to say a word on behalf of another group of people who are part of the brotherhood within the commonwealth of nations, the East Indians. We have at the present time in British Columbia approximately 2,000 East Indians. I remember distinctly in 1913 when a boat arrived in Vancouver with a great number of East Indians aboard who were seeking entry into Canada. Entry was refused and the ship remained in harbour for many weeks, and finally had to return these people to India. Out of that incident arose a disruption of relations between peoples who were together at that time under the British crown, and it did not do us any good across the years.

The recent proposal announced by the minister is to bring in 150 East Indians a year. This is a small number, but it will do something to help cure an old sore. We are finding now, both in the case of the East Indians and the Chinese, that these people have become well educated. Our East Indians have improved their lot in British Columbia, where many of them are now mill owners. I have in mind one who is No. 2 air pilot for

the Canadian Pacific Air Lines and is going to fly the Pacific when they inaugurate their schedule.

I want to compliment whoever may have been responsible—probably it was the civil service—for the appointment of an East Indian to the bureau of statistics here in Ottawa. This man is a graduate of the University of British Columbia and is admirably versed in mathematics. We should bear in mind that although Canada is small in population, it is rapidly achieving a foremost position among the nations of the world because of our resources and the integrity of the people. A spirit of open-mindedness with regard to immigration from various countries of the world will do much to add to our stature, but we should bring in only the best people. Again I repeat that the minister has done an admirable job for us in this matter of immigration to our country.

Mr. Gibson: I should like to endorse what the hon. member for Vancouver South and others have said with regard to this question of allowing more East Indians to enter Canada. I trust that the minister will give serious consideration to this problem.

Mr. Sinclair: Mr. Chairman, I would feel backward if I did not speak on this matter. In recent years we have been gratified by the action taken to allow Canadians of Chinese descent to bring their relatives to Canada, especially in view of the situation in the continental part of China. East Indians and Pakistanis who live in British Columbia are in an even more special position in that they are British subjects as well as Canadian citizens. I think it is quite in order when they propose that they should be afforded the same opportunity that is given to Canadians of Chinese origin to bring in their close relatives, both for the sake of good relations between Canada and Pakistan and India and relations within the province of British Columbia itself.

There was a time in British Columbia when oriental people, Japanese, Chinese and East Indians—we referred to them as Hindus—were regarded as being most indigestible, as peoples we could not possibly assimilate. That was probably true of the first generation who came to this country as low-grade labour to work on the railroads. But those of us who have gone through school in British Columbia have seen the great change which has taken place. These young Canadians who are of a little different stock from our own have fitted into the life of the province. I think the same facilities should be provided for the admission of relatives of these Canadians who are of either Indian or Pakistani stock that are afforded to those of Chinese stock.

[Mr. Laing.]

Mr. Harris (Grey-Bruce): I do not think the hon. member for Coast-Capilano was in the chamber when I said that the agreement we had negotiated with the governments of India and Pakistan provided for the admission to Canada not only of close relatives described as being the wife, husband or unmarried children under 21 years of age of a Canadian citizen, but in addition 150 others. Under the arrangements between the two governments, administratively we are giving preference in the 150 to other close relatives, such as brothers, sisters and the like.

Mr. Macdonnell (Greenwood): Mr. Chairman, I should like to say just a word or two. The minister's statement certainly added something to the situation, but I must confess that the chief impression I got was that there was an agreement under which Canada would admit a certain number of people in each group. The minister indicated that there was a general feeling in favour of greater immigration, but I got only the most general impression as to any policy which is to be followed or any set of principles which is to be adopted. However, I am not going to plunge into that further at this time.

I have in mind a few questions I should like to ask on administration matters. One feels that there is overlapping between the Department of Labour and the department of immigration. Inevitably some of those who are admitted eventually become public charges, and the best information I can get indicates that there is overlapping there. Those in need are able to get help from both labour and immigration; sometimes they are able to get it also from welfare groups, ethnic societies and individual sponsors. I do not think the minister will disagree with me when I say that from one point of view there is what you might call a partnership between the departments, but from another point of view there is overlapping.

Then another question comes to my mind. In this assisted passage scheme I understand the assistance is given to the worker but not to his wife and children. That leaves him with a tremendous task on his hands when he arrives here, because he has to pay back his own passage, support his family while they are in Europe, and get the money to bring them out. These are some of the questions in my mind, and perhaps the minister would deal with them and one or two others that I should like to ask later.

Mr. Harris (Grey-Bruce): I suppose it would be true to say that there is overlapping in the sense that the Department of Labour and the department of immigration, both abroad and here, interest themselves in the immigrant. However, it has been found by experience since the war that there are

separate functions for each department, both tending to aid the immigrant in becoming settled in Canada. For example, before this department as such was set up the Department of Labour administered the movement of people under IRO. They continued to do that until the end of last year, when IRO ceased to function. To that extent it might have been desirable that there should be a division of responsibility. The purpose of the overlapping both here and abroad is very simple. We desire to have the best possible information as to opportunities in Canada, and in addition we want to have the best possible judgment as to the suitability of the applicants abroad. Labour can be of assistance in that regard.

When the immigrant comes to this country he may be placed by labour if he happens to be one of these refugees under IRO; and if he happens to be placed by immigration and in due course finds himself out of employment, naturally he is entitled to the assistance of the national employment service, and of the placement service of our own department. So far as I am concerned, I am satisfied that the two departments each contribute something to the choice of the immigrant and to the settlement of the immigrant in this country.

With respect to the assisted passage scheme, I agree that we do not extend it to the dependents of a worker; and that is a debatable point. It may not be desirable on social grounds to separate the head of the family from the dependents for any length of time, and an argument can be made that if we advance money to bring forward the head of the family we could also advance money for the dependents. That of course would not apply in the case of a single immigrant. The purpose of the assisted passage scheme originally was to provide the means of bringing to Canada some person who was needed here, having in mind as well that the chances would be that he could probably make a go of it and find the means of bringing forward his family.

I agree if the family is large and if the immigrant happens to go to British Columbia, it will cost a great deal of money to bring his wife and children forward. That is one of the weaknesses of the assisted passage scheme but I think it is one of the weaknesses that must be accepted with the desire to bring the person in the first place.

Mr. Churchill: In the first instance I should like to thank the minister for answering the question I asked him on March 28 with regard to the policy of the department. His statement was not quite as comprehensive as I hoped it would be, but he has assisted in our understanding of the problem. I think the subject of immigration requires greater understanding on the part of the Canadian people. I believe there is a wide diversity of opinion with regard to the benefits or otherwise of immigration. We tend to look back to the period of the early years of this century when immigrants came into our country in very large numbers and were largely bent on taking up farm lands, particularly in western Canada. We consider there was considerable success attached to that great movement of people. At the present time it is not possible to absorb people into Canada on that scale and with that intention, as it was in those earlier years. The subject of immigration has become somewhat more complicated and deserves very careful attention.

With the growing industrialization of our country and the trend toward urbanization there is no question but that the immigrant is not as easily placed as he was in the first twenty years of this century. That is why I have been wondering about our immigration policy. Let me put this question to the minister. Over a period of years what increase in the population of Canada can be attributed to immigration? Has the minister at his disposal information that will indicate to us the relationship between immigration, natural increase and loss of population to the United States and other countries? Would we be further ahead in putting more emphasis on attempting to retain the natural increase of our country rather than putting our efforts into drawing immigrants into Canada? There is no question but that there is a serious loss of people each year to the United States and elsewhere.

It is on these grounds that I say there is perhaps a lack of understanding throughout Canada as to immigration. Is it as valuable as we have sometimes thought it to be? I do not suggest for one minute that we have not received immense contributions from immigrant people. After all, we ourselves are either immigrants or the descendants of immigrants, and the country has benefited from those who have come here in the past and from those who are coming at the present time. But is our emphasis perhaps wrongly placed? I should like to have the minister's comments on that problem. One of the reasons I raise it is that checking in the Canada Year Book for 1951 I noticed according to paragraph 13 on page 152, which deals with presumed permanent movement of population between Canada and the United States for the years ending June 30, 1940 to 1949, that over that period we

appear to have lost to the United States 131,742 persons. That is our net loss to that country.

The figures there appear to indicate that not only do our native born depart to the United States but also many people who have not established themselves as permanent residents, immigrants who have entered our country just as a stopping place before going elsewhere. When we are spending several millions of dollars on immigration, are we aware of the fact that we are losing many of our immigrants and perhaps many of our native born who, with a somewhat different emphasis with respect to our economy, might be retained within the country?

I have a number of problems I should like to take up with the minister. I do not propose to use too much of the time of the house, but I think this department requires careful study for our own information and for the information of the people of Canada. I should like to draw the minister's attention to an article which I presume he has already seen, and perhaps has answered, though I did not see the answer in the press. This article is dated April 26, 1952, and appeared in the *Globe and Mail*. It has reference to a meeting of the school of social work of the University of Toronto and the Toronto welfare council. The subject dealt with was immigration. From my knowledge of the situation in Winnipeg, and from my experience with the Winnipeg welfare council, I would say that the problems discussed in this article are perhaps the same in western Canada as they are in Ontario. I would like to quote just one or two passages here and perhaps the minister will make some comment. The article starts off as follows:

> Prospective newcomers should be given a start in basic English before they arrive in Canada and the process of integrating them into the Canadian way of life needs a major overhauling. These were two of the views expressed last night at a conference on new immigrants, held under the auspices of the school of social work of the University of Toronto, and the Toronto welfare council.

Then further on: Professor C. D. Hendry, who is director of the social work school, dealt with the problems facing the services. This is the statement made by Professor Hendry:

> The public as a whole, he said, seemed to lack clarity, conviction and certainty as to how many immigrants can be absorbed. He described public policy on immigration as: "Cautious, conservative but essentially constructive." Dealing with specific attitudes, he found unawareness, lack of information, and apathy prevailed in some quarters, while in others there was fear that job security of Canadians was threatened by the immigrants.

[Mr. Churchill.]

He goes on to say, and these are his exact words as given in quotation marks in the paper; speaking of agency officials—

> "I regret to say some are cold and even harsh in their treatment of new citizens."

Dr. Hendry has some further comments along that line and then Professor Wolfgang Friedmann, of the school of law, University of Toronto, and again I am quoting from the newspaper, said:

> Many things could be done before the immigrants arrive in Canada. A common bond united all agencies which dealt with one or another of the problems of immigrants; a common desire to meet the challenge offered by the arrival in Canada of 200,000 newcomers annually.

Then Stephen Davidovitch, adviser, citizenship branch, Ontario department of education, said:

> —the lot of the present-day immigrant was infinitely better than that of the immigrant of 50 years ago. Generally speaking, the public agreed that the immigrant should be helped but not mollycoddled.

I think we are in agreement with that.

> An association composed of representatives of ethnic groups, to meet the immigrant and advise him on such matters as housing and jobs, would be a distinct advancement, he felt. Such a body might also make loans to newcomers and in this way prevent them from being fleeced by tricksters. . . Education of the newcomer, particularly in English, was stressed by the speaker as a prime necessity.

Miss Florence Philpott, executive secretary, Toronto welfare council, said:

> A great deal of commendable work had been done. She stressed the lack of integrated, co-ordinated program.
>
> After reviewing the existing services available to immigrants, Miss Philpott remarked that far too few of them availed themselves of their use. The fact that many of the agencies had not informed the immigrants of the existence of these services was not surprising, Miss Philpott said. She doubted whether these agencies knew the services existed, either.

What I am wondering about, Mr. Chairman, is the amount of co-operation that exists between this department and the various provincial governments on whom apparently the final responsibility rests when the immigrants are admitted. In experience, a great deal of the work in connection with immigrants seems to fall upon voluntary organizations and welfare services. To what extent the department has a plan with regard to aiding immigrants on arrival, in conjunction with the province, as suggested in that article, is a question on which I would like to hear some comment from the minister.

I will stop at that point, though I have some other questions to take up later.

Mr. Harris (Grey-Bruce): I can briefly remark that I did not see the particular

article; but the hon. member will appreciate that there were officers of this department of government at that meeting and they made a report to us. I should also add that this year we are granting to the gentlemen he has mentioned, or at any rate to the department he has mentioned, the sum of $2,500 for study of this particular problem. That is not to suggest that it has not been studied before by ourselves, but it is merely to obtain views of the kind that have been read today, of persons who look at us from the outside.

We recognize that one can always do more for an immigrant than is being done and that there will be immigrants who will have great difficulty in becoming settled. Those are the ones you will hear about at a meeting of social workers. I do say there has been a minimum of difficulty to this moment in settling those people and, I think, a minimum of difficulty in having them accepted into the Canadian community.

Mr. Churchill: I was hoping the minister would say something about my earlier question regarding emigration, but he may do that later on. I would suggest at this point that the question of education enters into this immigrant problem, in that a considerable proportion of immigrants are, I presume, juvenile and individuals of school age. Perhaps the minister could give us some figures that would indicate the number of school age who entered the country last year.

I would point out to him and to the dominion government that the bringing in of immigrant children, desirable as they are, adds a further burden to the municipalities who are concerned with the educational problem. A friend of mine in the city of Winnipeg who is interested in this matter has suggested to me that the number of immigrant children added to the Winnipeg school rolls as of last September 1 would represent the equivalent of perhaps ten classrooms. I have not had the opportunity of checking his figures, but it does seem that something like that might very well happen. If you bring in several thousand children, even at the rate of crowded classrooms of 40 students, obviously you have to supply something rather extensive in the way of accommodation. This burden I am sure is falling upon the cities, and certainly it has done so in the case of Winnipeg, because we have received a fair proportion of immigrant families. I am not sure that this particular problem has been faced or whether anything useful can be done about it; but on other occasions when I have been talking about federal aid for education this was in our minds. A dominion policy that brings in people of school age should also, as a corollary, provide some assistance to the municipalities that are faced with the heavy financial burden of providing for their education. Unless the education of our immigrants is carried on, certainly that of the immigrant children, they will not become effective Canadian citizens. At the same time, along with that goes night classes for adult immigrants. Upon whom does that burden fall? Is there some assistance from the dominion government for that purpose?

Mr. Harris (Grey-Bruce): Well, to answer the question first asked, during 1951 the number of children up to 14 years of age admitted was 39,474. My other figures run from 15 to 19, so not all of those could be considered to be of school age, but I shall add them anyway; 13,268.

With respect to the cost of education, of course it goes without saying that when they come here they are entitled to education at the expense of the public. If the hon. member feels that the city of Winnipeg is not prepared to accept this as a charge upon the city, he will say so. Up to this moment we have had no protest from the city of Winnipeg with respect to the education of the children of immigrants.

On the other point as to the cost of education for adults in night classes, this department does supply a very large number of textbooks for use in those schools. There is another item which my friend may come to later which indicates that last year we spent $116,000 on providing those to any provincial governments that asked for them, and I think all did ask for them.

Mr. Churchill: I would not want the minister to leave the impression, which he may not have intended, that Winnipeg is not ready and well able to receive all the immigrants who come. It is a friendly city, I would have you know, and we welcome those who come to us. We try to look after them. I was attempting to point out that an extra burden is placed upon the municipalities throughout Canada because of the policy of the dominion government.

Mr. Macdonnell (Greenwood): I want to ask the minister one question. In those cases to which he referred, of immigrants who for one reason or another, were temporarily unable to look after themselves, from what public sources does the money come to look after them?

Mr. Harris (Grey-Bruce): It is under vote 63.

Mr. Macdonnell (Greenwood): Does the minister say that all the money for that

comes out of his department? My understanding was the contrary.

Mr. Harris (Grey-Bruce): That applies to immigrants under the department of immigration. The Department of Labour has a vote which they apply to immigrants brought forward by that department.

Mr. Macdonnell (Greenwood): Does that mean that certain immigrants would be maintained by one department and certain ones by another? You may have people, let us say at Ajax, some being maintained by one department and some by another. Would they not be in separate compartments?

Mr. Harris (Grey-Bruce): At Ajax there are both immigrants who came here through this department and those who came sponsored by the labour department under IRO.

Mr. Macdonnell (Greenwood): Does that not create difficulties in having these people mixed and receiving aid from two separate departments?

Mr. Harris (Grey-Bruce): No, it has not so far as I know.

Mr. Drew: Before we pass this item, I want to suggest that perhaps what is happening this afternoon indicates the advantage to any important department of holding its estimates off until the last moment. This subject is being discussed in an atmosphere of complacency that is wholly out of line with the sentiments of the people of this country generally toward the administration of this department. It has already been said today, and I feel sure it is true, that next to the burden of taxation and the high cost of living there is no single subject about which there is as much dissatisfaction as there is in regard to our over-all policy of immigration.

But there is one subject to which I wish to refer before this passes from discussion in this house into the wider discussion that undoubtedly will be carried on in the press and in public, as it has been so vigorously for some months. I refer to the implications of the disclosure of corruption and fraud amongst various officials attached to this department. I refer once again to an article that has been referred to before, the article in *Maclean's* magazine of March 15 of this year under the title, "How racketeers sold entry into Canada." I would also refer to an editorial in the Ottawa *Journal* of February 21 of this year under the heading "Immigration by fraud," referring to disclosures that there had been fraud in connection with illegal entry into Canada of an undisclosed number of persons through the activities of an agent of this department at Karlsruhe, Germany. The article in *Maclean's* magazine of March 15 referred to the activities of government officials in connection with immigration from Italy. The statements were unequivocal; they were positive. This article by one of the best known writers in this country contains this positive statement at the top:

> Corrupt Canadian government officials and unscrupulous travel agencies have extorted thousands of dollars to smuggle Italian immigrants into Canada.

The minister has simply referred to this by indicating that an inquiry has advanced to the stage where it may be hoped that it can be closed at an early date. I suggest that this indicates something of a nature that calls for the most thoroughgoing investigation, and not merely an investigation of a possible breach of trust or criminal action. The *Maclean's* article on the one hand, and the Ottawa *Journal* editorial on the other, I merely choose as examples of the many editorials and public statements that have been made indicating widespread concern about something that may by no manner of means be confined to the known cases which have been indicated in this way. It is not usual that it is only the known cases that emerge in the way these did before there were any investigations, so far as we are aware.

In connnection with the *Maclean's* article to which I have referred, it speaks of a widespread organization, describes the methods by which an agency named in this article had been carrying on activities; and it describes how a man, named, obtained false declarations that certain people were getting certain farmers to work for them. This article also refers to the information which had been obtained that similar activities had been carried on in Germany.

There are two angles to a disclosure of this kind. The first is the breach of trust by the officials. The second is the fact that if these people, as citizens of Canada, were obtaining money by false pretences and had broken their trust, then criminal prosecutions should follow. Third, and extremely important, there is the situation that is produced by the activities of these people in connection with immigration itself. On the one hand there would appear to have been a substantial entry into Canada of immigrants who should not have come. On the other hand it would appear that many immigrants who could have come in any event were paying sums of money to these officials in the mistaken idea that this was necessary in order to enter Canada.

It is not just enough to be told what action has been taken in relation to the officials.

It is also necessary to know what is going to be done with regard to the immigrants. As to these immigrants who paid money unnecessarily to these men who have broken their trust and are probably also guilty of criminal offences, certainly if it is humanly possible that money should be obtained, and paid back to the immigrants. It may not be possible. Most certainly it is an unfortunate thing if their innocent paying of this money means that there is no way by which they can recover.

But the other side of this picture is that those who have obtained entry into Canada by fraud may well have come here for purposes of which we are only too well aware at this time. Therefore any conduct of this nature, in breaking the immigration laws of Canada at such a time as this, should be looked upon with particular concern. I would hope that the investigations that are taking place will be completed soon; that prompt action will be taken to deal with every single case disclosed; that a complete and comprehensive public statement will be made with regard to every aspect of this situation as disclosed in part by the earlier information which was made public in the manner I have described, so the real concern in the minds of the people of Canada may be allayed at least in some measure and there may be an assurance that the laxity which permitted fraud of this nature will be checked so that in future the immigration laws and such immigration policy as may exist will in fact be enforced by the officials of the department.

Just before I close these remarks may I say that no remark I have made is to be taken as a reflection on the regular officials of the department here who, I know, give that kind of service one would expect. But here are disclosures of fraud on the part of people who in some way were permitted to have an influence upon the entry into Canada of immigrants, and it is a situation which calls for action of a nature which will reassure the public with regard to the procedure that is being followed.

Mr. Harris (Grey-Bruce): Mr. Chairman, may I assure the leader of the opposition that when the information came to the ears of this department that there were any irregularities at all, we began the investigation some time before any publicity appeared about it. In fact it was the action taken by this department in connection with certain legal matters which drew it to the attention of the public.

There are several problems involved, as he has said. First, what action is to be taken with respect to the immigration officer who permitted himself to be found breaking his trust? Second, what is to be done with respect to that person who induced him to do so? Third, what is to be done with respect to others who knowingly, and perhaps not knowingly, contributed to the activities of this group?

I must say that I personally have been disappointed at the progress which has been made in going through the many matters involved. When I say I was disappointed, I mean that I was disappointed only in the length of time it has taken, but not in the work that has been done. When I discussed this matter as late as Tuesday night of this week with some of the officials of the Department of Justice, I fully appreciated the time that was required to go thoroughly into the whole question as it may affect all the persons concerned in Canada and abroad. Just as soon as we have come to a conclusion as to the extent of the activity and the means to take to bring before the courts those who have broken our laws, we shall do so; and at the same time, within the rules which apply when matters are before the courts, we shall give as much information as possible to the public.

I want to thank the leader of the opposition for his reference to the officials of the department. I knew he would say what he has said when he remembered that he had not done so previously. I think the use of the headline in the one article was misleading, as I pointed out to the hon. member for Kamloops at one time this session. It is commonly understood that the term "officials", when related to the civil service, means a particular group of people. I want to assure the committee that no official I know of is concerned in this matter.

Mr. Blackmore: Perhaps the minister has already given the information that I should like to have him give me; I have not been here all during the discussion. Has he any facilities through which he is able to keep in touch with these immigrants and to find out whether or not they are being taken advantage of by the people who are employing them? Is there any agency to which they can apply in case they feel that they have sustained an injustice at the hands of Canadian people?

Mr. Harris (Grey-Bruce): We have a settlement officer in the city of Edmonton in my hon. friend's province. Not only is he obliged to find places for immigrants, but he is obliged to keep in contact with them, and to be of assistance to the immigrant should he need assistance in any difficulty he may have with his employer or with anyone else.

Mr. Blackmore: Is there a particular man in the province who does this work?

Mr. Harris (Grey-Bruce): Yes; and more than one in some of the larger provinces.

Mr. Blackmore: By what means would a person in my constituency in southern Alberta be able to get in touch with that man in Edmonton? Is he told who that man is, and is he given his name and more or less made acquainted with him so he would feel certain that his petition would be heard?

Mr. Harris (Grey-Bruce): In many many cases the settlement officer is the one who meets the immigrant and directs him to the place to which he is to go. Of course that does not occur in every case, but the immigrant is informed of the fact that we have these officers, and of their location, though he may possibly forget and misplace the paper at a later time.

Mr. Drew: There is one point I wish to refer to briefly; I am speaking particularly of education for adult immigrants. There can be no doubt about the ordinary educational facilities being available to those of the ordinary education age. It is extremely important that adult immigrants have an opportunity for education which not only gives them the advantage of the two official languages of Canada but also gives them information with regard to our form of democracy and with regard to many things about our country which are of importance. The textbooks that are being supplied by the department in that respect are very good and are being used to great advantage. I believe more could be done through an extension of the co-operation between the department and the departments of education of the provinces than is being done at the moment. On this occasion I am not raising this critically, because we are dealing with a relatively new field. I simply put this forward and leave the thought as something I should like to have considered by the department.

More and more we recognize the advantage of visual instruction. I would hope that a conference between some representative or representatives of the department and representatives of departments of education in the provinces would consider the possibility of arranging for a type of visual education which could be produced by the national film board and would become generally available across the country. Certain films are available now, but these films are not of the type I have in mind. Films which illustrate in a pictorial form certain types of our system of national, provincial and educational government, certain types of our own characteristic Canadian way of doing things in different parts of the country, would all be very helpful in connection with these programs.

In offering this suggestion may I pay my personal tribute to some of these voluntary organizations which, along with the organizations set up by the provincial governments, are doing a magnificent job at this time in giving educational training to the immigrants. I do not propose to pick them out, because in some cases they are religious organizations, in some cases they are under particular racial groups, and under various public service activities. But a splendid job is being done which deserves the commendation of hon. members and the people of Canada. I am only suggesting that with the experience already behind us, it would be desirable that we extend the facilities for visual education and assist education in every way we can through the opportunities we now have.

Mr. Harris (Grey-Bruce): I agree that one of the best means of education is the visual method and, as the leader of the opposition has indicated, we have films; but at one time or another there has been some criticism, not criticism of the films we have but merely, as my hon. friend has said, a request for other and perhaps better films. I want to assure him that in the citizenship branch we are doing what we can to provide these, and we shall take under advisement the recommendation he has made.

I do want to join with him in again expressing my thanks to all the organizations which contribute to this work. I have said repeatedly that we could not function in providing the immigrant with an easy means of entry into Canadian life without them. In fact I have gone farther and said that if they did not do it I do not know who would, unless the government did it. But I think it is recognized that it is not desirable that we should provide all the means, because those means are provided by voluntary organizations on the spot, by zealous workers who know local circumstances and who, because of their interest in these people and their interest in the Canadian people as a whole, have volunteered their help. It is a most remarkable work, and I think it is having most remarkable results.

Mr. Fulton: I want to refer briefly to a subject already discussed, not for the purpose of reopening it but simply to indicate that I support the proposal which was placed before the minister. Unfortunately another engagement prevented me from being here when the matter was first raised. I refer to the question of allowing Canadians of East Indian origin to bring into the country their

relatives from India. The proposal, which has been set forth in detail in a brief submitted by the Khalsa Diwan society of Vancouver, is that the Indian people be treated for this purpose not along with the general classification of persons of Asiatic race, but that they be regarded as what in fact they are, members of the commonwealth, so the restriction applicable at the present time under the provisions of P.C. 2743 would not apply with respect to Canadian citizens of East Indian origin who are anxious to bring their relatives into Canada.

As I say, this matter has been discussed previously; and it is for the purpose of indicating that I too support the suggestions which have been made to the minister that I bring it up at this time. I do so particularly because I have some knowledge of the splendid contribution the East Indians are making to the social and economic life of Canada. We have a quite substantial group of them in Kamloops. They are engaged very successfully in farming, lumbering and all other types of activities which contribute in a very real way to the economic as well as the social welfare of our part of the country.

Just as a final illustration I should like to say that recently I had occasion to submit to the minister an application for the inclusion in the current quota of some relatives of one of those East Indians who lives in Kamloops. The application was supported by a group of prominent citizens who signed a letter to the effect that they supported the application. It was remarkable to see who signed that letter. There was the past mayor of Kamloops, the present mayor, the bank managers, prominent citizens in every walk of life, social and business in that city and district. I think that indicates the very high regard in which these people are held in the communities where they are settled and where they are good Canadians.

I do hope the minister and his officials will find it possible to discontinue the restrictions on the applications from those of East Indian origin who are Canadian citizens for the admission of their relatives to Canada. I regret I was not here when it was discussed, and that it is necessary to go back to the subject, but I want to make it clear that I support the recommendations made.

Item agreed to.

Indian affairs branch—
Education—

682. Operation and maintenance—further amount required, $147,237.

Mr. Coldwell: What is happening in regard to the Indians who are being put off the reserves? I have had several inquiries from Saskatchewan, and some complaints. I believe the band makes the decision. Is the decision the band makes subject to appeal?

Mr. Harris (Grey-Bruce): I will delay the committee only one minute to answer my hon. friend. The Indian Act, which came into force in September, provided that Indians might appeal against the omission from the band list of any name, or against the inclusion on the band list of any name. That appeal must have been registered within six months of September 4. All the appeals are now in. The procedure set out in the act provided that the appeal would be heard by the registrar, who is a departmental official. There then would be an appeal from his decision to a county or district court judge. No action has been taken as yet because we have just been accumulating information.

Item agreed to.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE

B—Civil defence (formerly under Department of National Defence)—

294. To provide for the civil defence program and to authorize total commitments against future years in the amount of $575,000, $6,508,839.

Mr. Drew: Mr. Chairman, this item was before the committee on June 6 and has been standing since. At that time the hon. member for Calgary East raised the point that although a larger amount is being asked for this year, $6,508,839 as compared with $4,196,202 last year, only $844,851 was spent. Certain explanations were given. In fact an attempt was made to rather chide the hon. member for raising the question by pointing out that, on the one hand, arguments were made in favour of economy and, on the other hand, when money was not spent questions were raised about that. The discussion ended at that stage.

Although we have reached this stage in the session I do not think the matter should be left in that position. We are asked to consider an appropriation of $6,508,839 for civil defence. What was pointed out by the hon. member for Calgary East was that although $4,196,202 was provided last year, only $844,851 was spent. In doing that he was naturally raising the question why there should be an increased appropriation asked for this year.

The very fact that an attempt was made to divert attention from the question asked by suggesting that there was a surprising contrast in a request for economy, on the one hand, and then questions raised as to why

the whole amount was not spent indicates the measure of unreality with which we are dealing with this subject.

Civil defence is as important as it is described from time to time by the minister or by those attached to the department, or it is not. Generally speaking there does not seem to be any measure of urgency that is in keeping with the statements that are made from time to time. We seem to be proceeding with this at a rather leisurely pace which is wholly inconsistent with the statements that are made about the seriousness of world affairs. The day before yesterday the Secretary of State for External Affairs spoke in Winnipeg and, according to a Canadian Press dispatch, said:

> The free world must be prepared for an increase in tension in Europe.
>
> The possibility of accidentally "slipping" into a third world war will increase in the next two or three months until German ratification is decided one way or another.

The Secretary of State for External Affairs was emphasizing the urgency of the situation which might develop within the next few months, yet we are told that to a substantial extent the difficulty in proceeding with civil defence is that there are no agreements with some of the provinces. So far as I have been able to ascertain agreements have been made with only two provinces, Ontario and Alberta. This covers only part of the problem.

Under these agreements payments will be made by the dominion government for part of the civil defence activities and for certain responsibilities that would arise. For instance, in the case of the agreement with Ontario there is an undertaking in connection with the extremely important question of uniformity of hose couplings so that fire equipment from one community may be used in another, which proved to be of such immense value in the United Kingdom and other countries which were bombed during the last war.

The minister who is responsible for this activity quoted a statement by Sir John Hodsoll, appearing in the Montreal *Star* of May 9, who had visited this country to inquire into civil defence activities, as he had in the United States. He was reported to have expressed his approval of what he found in Canada. I am not aware of how much of Canada Sir John Hodsoll saw, but it is just possible that he may have been beguiled by some of this most effective propaganda that emanates from the department of the minister who is responsible for this particular task.

Nevertheless we are not as much concerned with what may be said by somebody from outside Canada about what is happening here as we are with what we know is actually taking place in Canada. We know that no effective civil defence organization is in existence across this country at this time. We know that if, to use the considered terms of the Secretary of State for External Affairs, we should slip into another war within the next two or three months we would not be ready to deal with the problems that would arise in the case of attack.

I hope no one will suggest that I am being an alarmist when I speak in these terms. I am referring to the statement of the minister for external affairs that such a possibility exists. If it does exist, then we should be considering this subject with the sense of urgency that is related to a statement of that kind by the minister responsible for our external affairs. We should know to what extent steps have been taken or should be taken to deal with first aid, with firefighting, with the designation of target areas, with the setting up of reception areas, with mutual aid to communities, and matters of that kind. We should know to what extent these arrangements are known to those who will be responsible for carrying them out. We should also know something of what has been done in regard to the establishment of emergency hospitals, emergency transportation and engineering services. We also should know something about the organization that would integrate the activities of the dominion, provincial and municipal services that would be brought together. I am not going to go into the field of civil defence, because that is a very broad field indeed. However, one thing that is clear is that there cannot be an effective civil defence organization under the plans now contemplated until there are agreements with the provinces. The necessity for those agreements is indicated by the very fact that there are agreements now with Ontario and Alberta covering only a limited part of this problem, it is true, but still covering some part of it.

The minister has already indicated certain difficulties that will exist until these agreements are completed. Either this is something real or it is not. If it is something real, then we need an organization that can go into operation right away. If it is not real then we should not be asked to vote more than $6 million for this particular task, remembering that the $6 million is only a limited part of the over-all cost of the civil defence organization that would be set up through the activities of the dominion, provincial and municipal organizations. If this is something that is important, if there is in fact a danger and that danger should become a reality, is it going to be any answer to anybody in this country who suffers as a result to say that

we did not have an agreement with your province, we were not able to convince them that civil defence was really a provincial problem?

Civil defence and the assurance of civil defence surely must be a national responsibility. Surely it can be no answer, in the event that a situation should arise calling for civil defence, to say, "oh, we did not achieve any agreements". Actually some of the provincial governments, and perhaps all of them, do not believe it is their responsibility. Some of them have made a move toward entering into agreements or have entered into agreements because they feel that something must be done in any event, but surely civil defence is a part of the whole problem of defence. Surely if civil defence is necessary, whatever steps are necessary to assure civil defence should be taken. Surely this extra burden imposed because of world conditions, over which no provincial government and no municipal authority can have any control, should not be added to the already heavy burden of the provincial and municipal governments.

At a time when municipal councils are having all the difficulties they can handle it does not seem reasonable that this new burden, wholly unrelated to the ordinary municipal tasks, should be added to what has already been thrown upon them. I suggest that no matter what may have happened before, no matter what may have been regarded as adequate under the circumstances, if the government really thinks the Secretary of State for External Affairs is correctly interpreting the situation when he predicts that the next two or three months are going to be as critical as any months that lie ahead of us, months within which, to use his words, "there is a possibility of slipping into war", we should be doing more than we are doing now to tackle this problem with a sense of urgency and reality.

I do wish to say that the officer in charge of civil defence, Major General Worthington, is an officer whose experience, energy and adaptability to new conditions command the confidence of all who know him and undoubtedly should command the confidence of all Canadians. I cannot imagine any officer in Canada who could more effectively perform that task on the basis of his record in the different military and other duties that he has undertaken. But this problem relates to a fundamental decision as to whether there is urgency and necessity for civil defence. If there is, then I suggest that an acceptance of the responsibility by the dominion government calls for action to meet any situation which may arise in keeping with the possibilities, remote as we hope they are, that have been pictured within the past few days by the Secretary of State for External Affairs. No one wishes to be an alarmist, but there would be no reason for the organization of civil defence at all unless it were against the possibility of just such a situation as is contemplated by the statement of the Secretary of State for External Affairs.

In the light of that statement, in the light of world events related to it, and having regard to the vital importance of civil defence in the preservation of our whole economy and the confidence of our people, I feel that the problem should be tackled with a sense of reality that does not yet seem to have emerged.

Let me point out one of the things which should be in the mind of every one of us. We have heard a great deal in the past few days about the bombing of the power plants on the Yalu river. I am not going to enter into the controversy relating to that bombing. I should imagine that most young Canadians in Korea will have very definite views as to the desirability of permitting electricity from that source to be used to assist the communists in their efforts to build up their military strength. Nevertheless I think that having regard to the importance of these targets and the extent to which it was clear that they were given a No. 1 priority, we should remember that in this country a higher percentage of industry is based upon electrical power than in any other great industrial country in the world.

In every area which would be open to an attack of that kind, part of the general morale of our people would be related to the plans which might be made in keeping with the knowledge of that simple fact. I know we have not time for an extended debate on this subject. I am putting my views forward at this time with the hope that they may be given consideration, particularly in the light of the assessment of world affairs made only two days ago by the Secretary of State for External Affairs.

Mr. Martin: As the hon. gentleman who has just spoken has said, there is not time for the kind of discussion which he and I would like to have on this important matter. I can only say that generally speaking I agree with what he has said. That does not mean to say that in all particulars as to the division of responsibility he and I would be in full accord, but generally speaking I want him to know that in a general way I agree with what he has said.

The policy we pursue is one of decentralization. That is the practice followed in the United Kingdom where they have had perhaps the greatest experience in civil

defence. It is also the practice being followed in the United States, a country comparable for our present purpose in governmental structure to our own. As the leader of the opposition knows, so far as financial responsibility is concerned, even during the war the municipal organizations and local governments in the United Kingdom continued to bear a very heavy portion of the cost of civil defence. There were co-ordinating plans issued and general direction given by the central government, but the purchase of civil defence equipment, the stockpiling of material and the like in the United Kingdom were done, as we are doing it, on a share for share basis. We do regard this matter as important. It is difficult, I may say frankly, to determine the full extent to which we should go; and in this matter we are guided not only by our own appreciations of the temper of the world at this time but also by the consultative arrangements we have with the ten provinces who with the federal government constitute the civil defence committee of this country.

We met with all the provinces about six weeks ago in this building and reviewed what had been done and what it was proposed to do during the ensuing year. I would not say that we were in agreement on all counts, but the following quotation from the Edmonton *Journal* of May 7, in which the minister in charge of civil defence for the province of Alberta expressed his view of the conference, sets out, I think, better than anything I can say the measure of understanding between ourselves and the provinces. Mr. Gerhart is reported to have said:

> Although differences of opinion still exist between the federal and the Alberta governments "better understanding than ever before" of the problems of civil defence was shown at the Ottawa meetings. The minister was hopeful that existing problems now slowing defence co-ordination could be cleared up soon.

Our conception of the problem is this. If a civil defence organization has to be employed, civil defence cannot be done here in Ottawa or in any provincial capital alone, but on the local level. Civil defence is essentially a local matter; it is comparable to the role of the good citizen coming to the aid of his neighbour through voluntary action; and if you have not developed an adequate local organization nothing that is done at the centre will be fully effective. Proceeding on that principle the provinces and ourselves have arrived at a division of responsibility somewhat as follows. We are responsible for certain phases of activity, notably training and the provision of training equipment. The provinces are responsible for setting up their provincial civil defence organizations and, through them in most communities under their jurisdiction, a civil defence organization with a civil defence director at the head.

Every community in Canada of any size now has a civil defence director; they come directly, in the scheme of organization, under the minister of civil defence for the provinces; for instance, in the province of Ontario, the provincial secretary. At the centre we are responsible for the training of the individuals whose job it is to carry on the training schools and to build up the local organizations. For instance, at our local school at the Connaught Ranges here in Ottawa we have in the past year and a half trained some 1,600 people. We have brought these individuals from all parts of Canada, paid their expenses while here, their travelling expenses, and so on. Those men and women have gone back to their local communities and have either taken jobs as civil defence co-ordinators or have fitted themselves into the local organization in one way or another.

This is an impressive record. I think that training is a basic requirement, because unless you have people who have some conception of what civil defence is all about you cannot carry on the effort at the local level.

In addition the federal government has the responsibility for publication of manuals, production of displays and films that are being used to train leaders and to bring home to the people the desirability of taking part in the civil defence organization. We have undertaken, and we have carried out this undertaking, to give to the provinces and through them to the municipalities concerned all kinds of training equipment including, for instance, such things as coveralls, helmets, respirators, stirrup pumps and certain kinds of other material. Those are outright grants or gifts, purchased by us and given to the provinces for the purpose of building up their local organizations.

In addition we have entered into an arrangement with the St. John Ambulance Corps for the training of civil defence workers in first aid. As the leader of the opposition has said, this is an important phase of civil defence training. Normally the St. John Ambulance Corps would train about 55,000 people a year in first aid activity. We hope that in the ensuing period they will be able to train some 132,000 people in first aid. We are paying them on an agreed basis to carry on that work.

In addition we have established here our own advance warning communication system, independent of the armed forces, and

independent of the normal systems of communication utilized by the civil arm of government. We have established an advance warning communication system that will be for the exclusive use of the civil defence organization. When I discussed this particular matter in the house before, I indicated that I could not go into details and the hon. member for Nanaimo was kind enough to take advantage of the invitation I then issued to discuss privately with me the particulars of that system.

In addition to our responsibility for the things I have been talking about in a general way, equipment for training, maintaining, and our responsibility for manuals, films and so on, we will now enter into a matching arrangement in respect of certain phases of the program which a year ago we were not prepared to recognize as a federal responsibility. This matching arrangement will provide that the federal government will pay 50 per cent of any project in which a province wishes to participate. We discussed this matter at the conference six weeks ago and we have great expectations that certain undertakings, which we consider in the long term to be matters of special interest to the provinces but have an indirect civil defence value, may be carried out.

I wish to indicate now that I would not want to say or to have anyone say that if this country were subjected to an attack such as the hon. gentleman has envisaged, we would have an adequate civil defence organization. I would be the last man to claim that. This is not the case, nor is it the case with Sweden, the United States, the United Kingdom or any other country where obviously there must be a very intimate interest in this problem at this time. What I want the country to know, and what I am sure my hon. friend would want me to say, is that there is a very considerable amount of civil defence activity going on in Canada. Every city that we conceive to be of possible significance as a target area has a civil defence director. We estimate now that there would be about 60,000 civil defence workers in Canada. Cities like Vancouver, Edmonton, Calgary, Winnipeg, Montreal, Windsor, and Halifax are well organized. In the city of Winnipeg they have about 3,500 workers; in the city of Montreal they have about 8,500 workers; and the budget of the city of Montreal for civil defence is something like $200,000 for the ensuing year.

These general observations will give, as I want them to give, ample evidence that this matter is being taken seriously. We are not at the point where one can say that we have a civil defence organization that by any stretch of the imagination will take care of the needs that might conceivably arise. I do not suppose any nation will ever be able to claim that; because in the kind of warfare that we must envisage, if it should ever come, as the leader of the opposition has said and I do not disagree, we have to realize the inevitability of a certain amount of risk.

I want the house and the leader of the opposition to know that the general plans of the provinces and ourselves are now sufficiently developed to justify what Sir John Hodsoll said, namely that on a comparative basis civil defence preparations in this country are comparable with those of any other country. Sir John Hodsoll has had the opportunity of sitting in on the meetings with the ten provinces. He has visited the entire country. As a matter of fact, he has been visiting again this week with the mayors of our country, along with General Worthington, at the mayors' conference in Calgary.

I want to thank the leader of the opposition for the well deserved tribute he paid to the civil defence director in Canada, who is carrying on this very difficult task with singular success.

Mr. Macdonnell (Greenwood): Is it the general practice to divorce civil defence from the war or defence departments?

Mr. Martin: We are following the practice of the United Kingdom and the United States. In the United Kingdom, it is under the home office.

Item agreed to.

LEGISLATION

209. General administration, $393,448.

Mr. Macdonnell (Greenwood): There is a question I want to ask in this connection. Is the position of assistant chief of committees vacant? If so, what steps are being taken to fill it?

Mr. Speaker: The position is vacant. It is a permanent position, and the appointment will be made by the civil service commission.

Item agreed to.

DEPARTMENT OF FINANCE

116. Departmental administration, including the former administration of the Farmers Creditors Arrangement Act, 1943, and the administration of the Municipal Grants Act, and the custody of paid cheques formerly administered by the auditor general's office, $1,643,396.

Mr. Langlois (Gaspe): I have three questions I should like to ask the minister. The first

one deals with the taxation agreements with provincial governments. I should like to know first what amount the province of Quebec would have obtained from the federal treasury by signing a taxation agreement this year. My second question is, what amount does the province of Quebec estimate it will collect in the same fields of taxation this year? My third question is, how does this estimate compare with the amount reported by the Quebec treasurer as having been collected in the same fields of taxation last year?

Mr. Abbott: In answer to the hon. member's first question, were Quebec under an agreement with the federal government, our estimates would indicate that in the past fiscal year, that is 1951-52, Quebec would have received a payment including statutory subsidies of $90,358,000. In his budget speech of January 9 this year the provincial treasurer for the province of Quebec, Mr. Onesime Gagnon, estimated the collections from taxation, corporation and succession duties and the federal subsidy would total $88,896,000. In the previous fiscal year Mr. Gagnon estimated that his receipts from those resources would be $89,646,000. He shows a somewhat higher estimate for receipts from succession duties in that period. If Quebec were to enter into an agreement under the amended proposals, which are now before the provinces for the coming fiscal year, 1952-53, on the basis of our present estimates the payment to Quebec, including statutory subsidies, would be $115,003,725.

Mr. Macdonnell (Greenwood): We have all been delighted at this instance of dominion-provincial co-operation.

Mr. Abbott: I have no complaint, Mr. Chairman.

Mr. Macdonnell (Greenwood): Will the minister say something about the over-all organization of the department, particularly having regard to the number in it and the number of temporary employees?

Mr. Abbott: Does the hon. member want to know how many employees we have?

Mr. Macdonnell (Greenwood): Yes.

Mr. Abbott: The total employees in the department for the current year, that is 1952-53, are 4,886 as against 5,088 last year, a decrease of 202.

Mr. Macdonnell (Greenwood): Will the minister give us a breakdown under the main headings?

Mr. Abbott: Most of this information, as the hon. member is aware, is contained in the details of the estimates at page 175. It shows the breakdown between permanents and temporaries.

[Mr. Langlois (Gaspe).]

Mr. Macdonnell (Greenwood): The minister said 4,000—

Mr. Abbott: That is the total employees in the department, yes. If the hon. member will look at the details on page 177, he will see a further breakdown of the 4,000 odd employees.

Mr. Macdonnell (Greenwood): Will the minister say a word as to the temporaries? I asked a similar question this morning of the Department of National Revenue. What is the trend with regard to temporaries? What would you say as to the number of temporaries with years of service?

Mr. Abbott: I am informed that, broadly speaking, we are making as many temporary civil servants permanent as the civil service machinery will permit. As the hon. member knows, in all departments the practice is, broadly speaking, to have a quota of permanents and temporaries. In the normal turnover of the service, as permanent civil servants retire we try to keep the appointments up to our quota.

Mr. Macdonnell (Greenwood): Yes, but I am interested in taking this one step further. I want to know what the trend is. Your department has increased in number very substantially—

Mr. Abbott: Decreased.

Mr. Macdonnell (Greenwood): Last year, but increased over the years. I am anxious to know what the broad picture of the temporaries is; that is, let us say how many have you with over five years of service?

Mr. Abbott: I think I probably could have got that information for the hon. member had he mentioned he wanted a breakdown. It is the sort of thing which takes a little time to get out. I shall make a note of it and drop the hon. member a line.

Mr. Macdonnell (Greenwood): We shall not keep the deputy of the governor general waiting for that.

Mrs. Fairclough: The figures which the minister has given us indicate a reduction of 202 in the staff. The wartime prices and trade board having been closed, and 265 employees having thus been eliminated from the staff, it would look as though, instead of a reduction of 202, there is an increase of 63 in the regular staff.

Mr. Abbott: That is right. The total decrease is accounted for by the elimination of the wartime prices and trade board. The increases are principally in the office of the comptroller of the treasury, with regard to old age pensions and the like.

Mr. Blackmore: Mr. Chairman, I feel that the general situation which obtains in the world at the present time requires that we should make some study of the financial affairs of our nation. I should therefore like to make a few remarks. I do not expect the minister to take the time to make any comment upon what I have to say unless he so desires this afternoon.

I realize that we have not as much time at our disposal as we should like to have. It is a most regrettable thing that the estimates of the Department of Finance, the most important estimates in the nation, should have to come in at the time these are coming in. I am not implying that there is any fault on the part of the minister, but that fact does not in any way detract from the importance of these estimates. The balance wheel of the whole economy of the nation is its finance department.

I do not have nearly so much feeling of concern about the minister's department since the passing of the bill recently by which the Bank of Canada Act was amended so as to make it practically certain that no gold entered into the consideration of Canada's money. I have contended for 17 years in the House of Commons that the only real backing of money is, and ought to be, goods and services, quite regardless of the amount of gold we may or may not have.

On June 26 I laid down four principles which, in my judgment, are essential in a realistic financial system. On that occasion I defined a realistic financial system as one which could make what is physically possible, financially possible. As soon as one realizes that the justification for finance is physical reality in respect of goods, then one understands my principle that whatever is physically possible, it ought to be possible to make financially possible. I therefore once more lay down the four principles essential for a realistic financial system, namely, a system that could make what is physically possible financially possible.

The first principle is that the value of money depends upon goods and services, a statement which was tacitly agreed to, by the passage of the bill, by the Department of Finance. The second is that debt-free money, under certain circumstances, can be created by a state soundly, and used safely in the conduct of the financial and economic affairs of the nation. The third one is that granted adequate production, the use of debt-free money in establishing and maintaining stabilized prices throughout the nation is entirely feasible. The fourth principle is that the use of debt-free money to supply purchasing power to consumers in order to enable them to buy the production of a nation is completely sound and should be so recognized.

In connection with this fourth principle, may I lay down a certain modification. On June 26 I was contemplating only the financing of the consumption of goods and services within the nation. It also is true, in connection with a realistic financial system, that debt-free money can be created by a state for the financing of consumption outside that state, under suitable circumstances. I have illustrated that fact several times already this year by referring to what occurred in world war I when the finance department printed $50 million worth of bills, and purchased $50 million worth of wheat and lent it to Great Britain for a number of years. In that case the debt-free money mechanism was used to finance consumption outside the nation.

To sum up, not only can this debt-free money be used to produce markets within the nation but it can be used to produce markets to finance consumption outside the nation. This modification is of the utmost importance in the particular age in which we live. I hope to elaborate on that matter to a certain extent in the remarks which I shall make, and I hope they will not be unduly long.

There are two kinds of export markets that we need to finance. First of all, there is the market in which we are going to deliver goods—sell them if you wish to call it that—to nations which do not have the wherewithal to pay us, as for example the hundreds of millions of people who today dwell in Asia who have no means whatsoever whereby to repay us in goods, services or in any other form whatsoever. These people constitute an excellent market if we can only determine the means whereby to furnish them with purchasing power.

Then we have the class of market found in a nation which is able to return to us goods which we, for some reason or other, are unable to accept. We would find an example of that sort of market in Great Britain. Great Britain can consume almost unlimited quantities of our surplus production, but when she comes to send us textiles or other British production in order to repay us, then for reasons which we consider good, we do not feel that it is advisable to accept those goods and to allow them to come into competition with our own production in our own country and thus to distort our own economy. We therefore find that we have two kinds of export markets in which to finance the consumption of our surplus production.

I maintain that this principle of financing export markets is of major importance in the world as we see it around us today. In fact, I think there is no other possible democratically safe solution to the problem of distribution in the world, as it is at present constituted, at least in the years in which we are now living.

Among the strangest things that I have encountered during the days that have been going by are speeches like the one that was recently given by Mr. Graham Towers, governor of the Bank of Canada, down in eastern Canada in which he condemned trade curbs. Knowing Mr. Towers as I know him, I find myself completely astounded that such a speech as that should have emanated from him at all. Our Minister of Finance has been down in the United States giving the people there a lecture about the necessity of loosening up their trade restrictions and of allowing our goods to come into their economy. Knowing the minister as I know him, I can hardly imagine that, without some high motive or other, he would make such remarks as that in a neighbouring country. I understand that our Secretary of State for External Affairs has gone down to the United States and said the same kind of thing to the American people, indicating that they should loosen up their restrictions and allow our goods to come into their economy, in competition with their own goods.

The United States are simply not going to do that! The sooner we recognize that fact, the sooner we shall be ready to look to something else. It is just utterly foolish for us to expect the United States to allow Canadian goods like cheese, and other things that we want to send to the United States, to go in there when they do not need those goods.

I think I will quote a few passages from a good article which appeared in the Montreal *Gazette* of May 2, 1952. It is called "The Paradox of U.S. Trade Bars", by Michael L. Hoffman, New York *Times Service*. From it I read as follows:

> Geneva.
>
> It was an essential part of the Marshall plan that Europe should earn its way by increasing production and selling abroad more of what its farms and factories produce.

And further in the article I read:

> The United States said it would not use quotas to restrict imports and objected to other countries doing so except in emergencies to protect their monetary reserves. The United States said it would simplify its customs laws, which often exclude goods for capricious reasons.
>
> By 1951 Europe had increased sales to the United States by about 30 per cent. All of Europe's exports to the United States, however, still amounted to a paltry $100 million a month—1/230 of our monthly national income.

[Mr. Blackmore.]

And further on:

> After five years of promises by the administration, congress still has not passed any customs simplification law. The United States has not joined the ITO. Unilaterally and in violation of the general agreement on tariffs and trade, the United States slapped quotas on imports of cheese, milk products and casein, thus at one blow crippling the major dollar-earning industries in Italy, Denmark, The Netherlands, Norway and New Zealand.
>
> Since mid-1950 the axe has fallen on fur-felt hat bodies, almonds and cheese. In the form of hearings under the so-called "escape clause" in the American reciprocal trade law—which authorizes the tariff commission to raise duties if it finds that the domestic manufacturer has been seriously injured by competition—the axe is now hanging over motorcycles, bicycles, wines, pottery, "blue cheese," tobacco, pipes and wood screws.

The article goes on:

> The feeling in Europe is this: If, under one kind of escape clause or another, United States producers are to be guaranteed that any product which proves itself marketable in the United States behind a protective wall high enough to overcome the difference in European and American costs, Europe will never be able to earn enough dollars to enable it to enter fully into a trading community with the United States based on a principle of non-discrimination.
>
> From the European point of view the root of the problem is the American belief that it is right and necessary to exclude products of "cheap labour". If products of labour that is "cheap" in dollar terms (meaning that it would be cheap if it were in the United States) are to be kept out, Europe does not have a chance.

And I might say not only does Europe not have a chance, but neither does any other country in the world. This is a most revealing article, a most frank and honest statement of the situation exactly as it is in the year of our Lord, 1952, the year we happen to be living in. If there is anyone reckless enough, in the face of an article like that and in the face of the realities that support that article, to imagine for one minute that the United States is going to loosen up her trade restrictions to permit enough goods to come in from the outside to obtain dollars which the nations need with which to buy United States produce, all I can say is that he is far more of an optimist and probably more of an unrealist than really should be running at large nowadays.

May I just give a few more bits of evidence to indicate the small possibility that the United States will contemplate bringing in goods from abroad. The United States wants to sell goods. She does not want to buy unless it be raw materials. When she is able to sell the goods she is able to produce she is able to give markets to her own producers; she is able to give jobs to her own people. Above all other things, the object of the United States today is to find jobs for her people. Roosevelt said in a broadcast in October, 1944: "I mean to find jobs for 60 million Americans by tripling our exports abroad."

Notice he did not say a word about imports, and he did not mean a word about imports. Neither have said or meant the realistic men who have succeeded him in office in the United States.

Here is some more evidence of the growing self-sufficiency of the United States. The United States self-sufficiency is the major single factor in the world today. I am citing some information that I gathered in the December, 1949, issue of the *Reader's Digest*. This article has to do with the scarcity of United States dollars. It deals with the various commodities which the United States used to import, but which in recent years she has learned to manufacture substitutes for, or to manufacture herself. The first one of importance is cryolite. It used to be bought from Greenland, a colony of Denmark, which country used to use the American dollars from cryolite to buy United States machines. The United States in world war II manufactured synthetically her cryolite. It has almost displaced the Greenland product. Since before world war I the United States have developed synthetic sodium nitrate plants at Muscle Shoals, Alabama and Hopewell, Virginia, nitrate identical with that coming from Chile which used to provide the United States with nitrogen fertilizer. For Chile's sake only, the United States agrees not to operate some government plants. Any moment the United States may decide to manufacture all the nitrates she needs.

Before 1913 the United States bought 26,000 tons of dyes a year, making herself only 3,000 tons. By 1923 nine-tenths of the United States consumption was United States made, with 18 million pounds over for export. By 1939 the United States was making 1,000 different kinds of dyes with production equal to Germany's. By the end of world war II she had captured all of Germany's dye secrets. This was one of the difficulties that stood in the way of Germany in her attempts to recover industrially. It stands in her way today in any attempt to recapture her markets.

Let us take rubber. In 1940 the United States purchased 1·8 billion pounds of crude rubber. Four years later she was making 2 billion pounds of synthetic rubber. In 1939 the United States imported from India 95 per cent of all the mica she used. Today United States makes its own mica by a formula seized from Germany—one more difficulty for Germany. The United States used to import all of its camphor from Formosa. In 1933 the United States began making camphor from turpentine, and now she makes more than she can use. Another difficulty for China, you see. Thirty-five years ago all the United States optical glass and instruments came from Germany, France and England. They are now all produced in the United States. Cigarette papers used to come from France made by her from linen rags by a secret process. Now they are all made in the United States by a secret process from flax fibre, and $10 million of United States dollars are therefore denied to France.

As regards silk, between 80 million pounds and 90 million pounds a year used to come from Japan. Nearly $500 million a year was the cost. It is now made in the United States as nylon from coal, air and water. Soybeans used to come from Manchuria. Now United States farmers produce over 200 million bushels a year. Her sugar could now all be produced from sugar beets in America, whereas Americans used to import a very great deal from abroad.

Figs used to come from abroad. Now in the southwestern states over 60 million pounds of figs are produced in a year. Dates, prior to 1920, all came from North Africa and the Middle East, but now the United States produces around 20 million pounds yearly in the deserts of southern California and Arizona. Tungsten used to be imported from China or Bolivia but the United States is now using molybdenum, of which they have a whole mountain in Colorado. She now produces her own. Shellac used to come from India but now it is made from synthetic resin and corn glutens. Jute for burlap used to come from India. Now the United States has a substitute made from long-fibre spruce. And so the list goes on.

It is quite obvious that the United States is becoming more and more self-sufficient and will continue to become more and more self-sufficient as her knowledge of scientific techniques increases and the inventive genius of her people evolves new substances made from the things they already have. In the face of this fact, and others which I could adduce to bring us up to date, how can any realistic individual persuade himself into imagining that the United States is ever again under normal conditions going to be to any great extent a market for any outside nation?

The question is: What are we going to do about this situation? Here are the realities that face us. What are we going to do about them? We certainly cannot rely on trade where we have to depend upon the United States as being a partner in that trade. At the same time, we can rely upon having United States competition pressing into our very vitals in every market of the world including our own. Once more I ask: What are we going to do about it? I do not expect the minister to answer this question, but I am asking the question for those who read

Hansard and the other members of the house to answer. If you were the Minister of Finance, what would you do about that? You cannot go on as we have done. It is just absurd, because you face a situation utterly new.

What is the United States herself going to do about it? We cannot solve her problems, but I will venture to say that if the United States used her constitutional power to have congress create money debt-free as Lincoln did to represent the surplus goods which she has to sell in the world and she sent those created dollars away to the nations within whose borders she desired to sell her products she would have no difficulty whatsoever in disposing of her surpluses and her producers would be just as well off as though they had received the money of that particular nation in return for what had been sent abroad.

This is a point of extreme importance. Those who have not read "The United States in the World Economy", an official United States document published in 1943 and which is available in our library, will do well to read it and find out how the United States financed her exports abroad between 1918 and 1928 by loans to the nations which would be the prospective buyers of her goods. We know also how under the Marshall plan the United States has financed the consumption of her goods abroad. We know that she has now another act, the name of which I never can recall, under which she is sending abroad great sums of money with which the people who receive that money will buy United States goods. Thus the United States is already established and is carrying on quite successfully a method of financing the consumption of her goods by sending money abroad to buy those goods.

Surely that indicates the line along which the solution lies. No nation would be able to tax its people for enough money to lend abroad for people to buy its goods. No nation could afford to go into debt to get money to send abroad. But nations like the United States and Canada certainly could create money debt-free in so far as they had surplus goods and send that money abroad.

There is one further aspect of this matter to which I think we should give some attention. Those who have read the *Economic Review*, a periodical issued by the United Kingdom information office in Ottawa, will have been impressed by an article in the current issue entitled, "Trade, not Aid." The British do not want aid from abroad. All they want is trade. But we cannot trade with them nor can the United States because when either of us takes their goods into our economy they compete with our own and put our own producers out of business, throwing a lot of our people into the unemployed lists. No realistic administration could tolerate that sort of thing.

What are we going to do for Britain to let her have trade and not aid? Why not say to Britain, "Prepare us all the goods that you feel you would like to send us to buy goods from Canada that you might desire, and we will accept ownership of those goods in Britain." We would not promise to let them come into Canada to compete with our own producers, but we would accept the goods to cancel off the debt. If we deliver a million dollars worth of goods to Great Britain and they produce and deliver for us a million dollars worth of goods, we would accept ownership of those goods in Britain. Where they go from there would be another matter.

We are a partner in the Colombo plan. What we are doing under that plan is just small change, but the plan is a fine idea. We could be distributing goods and services to the various members of the commonwealth for the benefit and blessing of the people of the commonwealth. Why not take that million dollars worth of goods which Britain would have produced and delivered to us to pay for a million dollars worth of products of various kinds that she has obtained from us, and have them distributed under the Colombo plan?

If we create a million dollars worth of debt-free money in Canada and buy a million dollars worth of our own cheese for example in Canada, the dollars which the producers receive would be just as good as solid gold or the money they would get if the cheese were sold in the best market in the world. If we sent Britain a million dollars worth of cheese or let her have a million debt-free dollars to buy cheese, that cheese would be delivered to Britain which would bless Britain. Then if we enabled her to produce a million dollars worth of textiles or other goods to pay for that cheese and have those goods come into our possession in Britain, we would have been repaid. Then we could say to Britain, we wish you to send those goods to Sierra Leone or South Africa or Ceylon or India, or any other part of the empire. By doing that we should greatly bless the recipients of those goods and greatly bless Britain because we should have enabled her to maintain her prosperity and self-respect.

Can anyone find anything wrong with that device or suggestion? Now, the United States could similarly accept payment for as many exports as she might see fit to produce and

export for the next fifteen or twenty years, and even beyond that. This illustrates the value that could accrue to us in these perilous times in which we are living by the use of the debt-free money device to finance the consumption of our goods abroad.

There is one more step which I have suggested in times past and which I am going to suggest once more for the minister's serious consideration. I am quite heartened by the move he has made in respect of the Bank of Canada. I feel that the minister and his department are progressing right along. All they have to do is grow a little faster and we shall make still more progress. May I suggest then once more what I have suggested already. Why not let Britain be the distributing centre? There are no people on the face of the earth who know more about the goods which the various parts of the empire and in fact the world itself produce or need. Why not let Britain use the great knowledge and experience she has of trade channels, and those extensive trade connections which she has built up over the centuries to distribute these goods in accordance with the needs of the commonwealth and then the needs of people outside the commonwealth? Why not let Britain use the pound sterling when she begins to distribute these goods? As far as I have been able to find, no monetary unit has been more successful than the pound sterling backed by British production in the hands of Great Britain during the last half century. Why not let her expand the pound sterling and by means of the pound sterling bring in the things from other countries that they can supply her and return to them the goods they need from her own supply, these supplies being greatly augmented and supplemented by imports from everywhere and contributions from Canada and other members of the commonwealth? Let Britain, greatly strengthened by all of this, distribute goods abroad.

I submit that the suggestion I have made this afternoon constitutes the answer to an extremely important situation facing the world at the present time. Before taking my seat I wish to read certain quotations from a speech of the Prime Minister, who has been making some forward-looking speeches recently. I notice he is here in the chamber and has been paying close attention to what I am saying. I think it was in Montreal—he will correct me if I am wrong—that he made a speech indicating the great things that were ahead of this country by reason of the discovery of atomic energy. Let me say to the Prime Minister that while that speech was full of vision and understanding it will not do a bit of good to increase our productive capacity through atomic energy if we cannot sell our goods. The Prime Minister will understand that fully. The world will only be worse off as the result of discovery of atomic energy if it increases its productive capacity without learning how to distribute. I wish to read one or two passages from a speech the Prime Minister delivered on January 22, 1952, at the annual meeting of the Canadian Federation of Agriculture in Montreal. There are a number of passages in the speech which would reward consideration, but I am only going to quote two. He said:

> I doubt if we can ever hope for the secure peace in the world which we all want so much as long as great numbers of people are barely able to eke out an existence bordering on, or in many cases below, the subsistence level.

Further on he says:

> I realize of course that there are serious problems of distribution as you were reminded by your president this morning.

The Prime Minister had nothing to say about what might be the solution to those problems. That is the thing the world wants. What is your solution? Further on the Prime Minister used these words:

> It has been ably stated that "never before has the close relationship between food and peace, food and justice, and food and human happiness been so widely accepted."

These words do the Prime Minister great honour. May I submit to him that if he equips himself so that one year from the date on which he delivered that speech he can go before that same organization and tell it how to distribute these goods he will be the outstanding man of the world and the world will recognize him as such. I submit what I have said this afternoon may give the Prime Minister something to think about as he prepares to deliver such a speech.

Mr. Macdonnell (Greenwood): I want to raise a point with the minister that could involve a lot of time but as far as I am concerned I am going to do it briefly. It is a very simple question. We are members of the Bretton Woods agreement. We have subscribed and we are also interested in the world bank. I am not one of those who join the hue and cry against Bretton Woods at all, but I am concerned about their position. They seem to be drifting into the position of someone who is on the sidelines watching what is going on rather than taking part, and I would be glad if the minister would say a word or two as to what he feels the position is there.

Mr. Abbott: I do not know that I can quite agree that we are in a position on the sidelines. We have been forced, as the result of

circumstances with which the hon. member is thoroughly familiar, to notify the fund, and we did so in September of 1950, that we were no longer able to maintain a fixed parity for our currency unit. We indicated at that time that so far as we could see there was no prospect of our being able to do so in the immediate future. That action was not taken because of reasons which were peculiar to ourselves but because of the very abnormal conditions which existed in the world, the great multiplicity of exchange controls, quantitative restrictions on trade and the like. We expressed the hope and the intention that as soon as it was possible for us to do so we would live up to our obligations under the agreement.

Mr. Macdonnell (Greenwood): We are still members, and the only point I want to make is this. One realizes very well the multiplicity of reasons that have to a very considerable extent frustrated the expectations of seven or eight years ago. I read Mr. Ilsley's speech of December, 1945, just the other day. Among other things he pointed out the advantage of the organization in providing a meeting place where views could be exchanged. However, I should like to pass this on to the minister. It seems to me at the moment that the situation is so full of difficulty that one does wish that somehow they could adopt a more positive attitude. For example, all they had to say to Great Britain in her difficulties was to suggest that she should do away with her restrictions. I do not suppose there is anyone in this house who would like to see restrictions done away with more than I would, but that did not seem to me to be very practical advice, and one just wonders whether they are sitting in an ivory tower.

Mr. Abbott: Certainly conditions are not such as were envisaged when the international monetary fund was created. As to doing away with restrictions and whether or not it is practical to do so, it is perhaps a case of which comes first, the chicken or the egg.

Mr. Bryce: I have one question to ask the minister, and perhaps he would allow me to ask it now. Can he tell me when his department will be paying claims to people who lost relatives in the sinking of the *Athenia* in the first days of the war?

Mr. Abbott: I could answer in a general way. There are a number of claims filed now for interim compensation, as my hon. friend knows, under the policy announced by the Prime Minister. These claims are being considered currently by treasury board. At each meeting a number of them come forward for decision as to whether they are within the conditions which permit interim payment to be made pending final determination as to what the amount of the payment should be.

Mr. Bryce: That pretty well answers my question. This lady lost her daughter in the sinking of the boat, but I do not think she has asked for interim payment.

Mr. Abbott: If my hon. friend will send the name to my office I will see what the status of the claim is.

Mr. Bryce: I will do that.

Item agreed to.

Administration of various acts and costs of special functions—

124. Commodity Prices Stabilization Corporation—adjustment payments in respect of subsidies previously paid, and costs of administration, $30,500.

Mr. Macdonnell (Greenwood): I want to ask a question about the commodity prices stabilization corporation. As I understand it, this is a sort of hangover from the wartime prices and trade board and is the mechanism for dealing with subsidies?

Mr. Abbott: Correct. It only performs one function now. We have to keep it in existence to settle various outstanding claims in connection with subsidies. The staff is down to a minimum and there is a very small appropriation. There are some disputed claims still outstanding. It is not functioning as a continuing organization, of course.

Mr. Macdonnell (Greenwood): Then one would hope that perhaps the $30,000 it is going to cost this year will disappear by next year.

Mr. Abbott: I would hope so. I think it is very likely.

Item agreed to.

Payments to municipalities—

Grants to municipalities in lieu of taxes on federal property—

127. To provide for payments to municipalities in accordance with the Municipal Grants Act; and to provide for payments to municipalities under order in council of July 19, 1950, P.C. 3456, in respect of the cost of medical and hospital services and supplies furnished to federal employees and other persons specified therein, $2,360,800.

Mr. Macdonnell (Greenwood): May I have a word on this item, concerning payments to municipalities. Is that situation now working out I will not say to the full satisfaction of the municipalities, but is it on a complete basis? The other thing I want to know is about crown corporations. They are paying income tax, but do they pay their full taxes in all municipalities as well? I refer to real estate taxes.

Mr. Abbott: As my hon. friend will recall the policy there was enunciated previously.

Crown companies are expected to arrange with municipalities for the payment of municipal taxes in the same way that other industrial concerns frequently make arrangements for the payment of their taxes. The basis on which they are supposed to do it is a fair tax payment on normal commercial principles, and those are being made.

Mr. Macdonnell (Greenwood): They are treated the same as any ordinary private or commercial corporations?

Mr. Abbott: That is right; that is the principle.

Mr. Macdonnell (Greenwood): They are given no higher negotiating basis?

Mr. Abbott: No.

Mr. Macdonnell (Greenwood): I think this might be a place to ask one further question and it is: To what extent is the government's interest bill being affected by the rise in interest rates? Is it beginning to add substantially to our interest bill as yet?

Mr. Abbott: Not substantially, but it is beginning to show up.

Payments to municipalities—

695. To provide grants in lieu of taxes under regulations approved by the governor in council to rural municipalities that do not qualify under the Municipal Grants Act, but which incur substantial increased expenses or loss of tax revenue by reason of the existence within their borders of federal property, $100,000.

Mr. Macdonnell (Greenwood): I would like to ask a word of explanation about this. Is it an arrangement which has been made in general?

Mr. Abbott: These are cases which have arisen where certain municipalities cannot claim under the Municipal Grants Act because they do not provide any material service to the crown properties. There are large camps in certain areas in Canada which are completely self-contained and which are taken out of municipalities. Those camps have their own fire services, water services, and so on; yet in some cases some loss is suffered by the rural municipality. After consideration we felt that we could make provision for them. There are not too many, perhaps there are 20 or 25 municipalities of that kind in Canada. When the regulations are prepared we can and should make some adjustment for that class of municipality. The regulations of course will be carried out as soon as they are enacted.

Item agreed to.

DEPARTMENT OF EXTERNAL AFFAIRS

686. Representation abroad—operational—including payment of salaries of high commissioners, ambassadors, ministers plenipotentiary, consuls, secretaries and staff appointed as directed by the governor general in council, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments—further amount required, $100,000.

Mr. Coldwell: As this will be the last opportunity, I would just like to ask a question regarding the representations Canada has made regarding the Yalu river bombing. I perhaps might also ask a question here about the speech made by a Yugoslav whose name I have not before me at the moment, but the minister indicated that the matter was under consideration. Was his visa cancelled and was he ordered to leave the country?

Mr. Abbott: I would have to inform myself on that; I do not know.

Mr. Coldwell: Perhaps the answer can be given to me privately.

Mr. Abbott: I will see to that.

Mr. Coldwell: What about the Yalu river bombing? I think that has disturbed Canadians more than anything else has for a long time. It has also disturbed people in other NATO countries. I have followed the British debates rather closely, and I wondered whether our Department of External Affairs had received any assurance that in future consultations will be had before anything of that sort is done. As a matter of fact, I think people felt a great deal of misgiving when MacArthur was nearing those targets. When they were bombed the other day there was consternation lest the war should spread into Asia—the last thing anyone in the world wants to see today—and result in a global war.

Mr. Abbott: I would certainly share that view, but I am not informed of what communications have been passed with respect to the matter. I feel sure there have been some, but since my hon. friend's remarks are on the record I will see that they are brought to the attention of the minister himself. He will be back next week, and it may be that he himself might feel that he would want to issue a statement.

Item agreed to.

DEPARTMENT OF TRANSPORT

811. Airways and airports—operation and maintenance—airway and airport traffic control—further amount required, $33,800.

Mr. Low: Before this passes I wonder if the Minister of Finance would draw to the attention of the Minister of Transport a matter which I think is of very great importance. My attention was called to it just a day or two ago by a short editorial which appeared in the June 5 edition of the *Herald-Tribune*

of the town of Grande Prairie. The heading is "Let's Be Consistent":

By a near-miracle, a youthful Sexsmith pilot escaped death last week when his plane catapulted to earth as he was attempting a landing on a farm field on the edge of Grande Prairie.

Soon after the accident, Department of Transport officials were on the scene to investigate.

It doubtless won't appear in the findings but the fact is the Department of Transport is fundamentally to blame for the circumstances which set the stage for last week's accident.

Why did the group of Grande Prairie and district men owning the Aeronca figuring in the crash find it necessary to base their plane in a farm field in the first place?

The reason, pure and simple, is that the rates the Department of Transport charges for hangar space or even parking space at its airports places a heavy additional financial burden on owners of private light aircraft.

At the Grande Prairie airport, which is controlled by the Department of Transport, it costs a light aircraft owner $10 or $11 a month to park his plane outside the hangar. Rental for space inside the hangar ranges between $25 and $30 monthly.

It is costly enough to operate and maintain a light aircraft.

It is nonsense for the Department of Transport, by its rental scale, to drive these light planes from properly-equipped airports to hazardous, makeshift landing strips in country fields.

The policy is all the more nonsensical when one considers that, in Grande Prairie's case, hangars at the airport are standing idle and empty except for the rare occasion when one or two visiting light planes are placed in storage overnight.

A policy which is at once discouraging private flying and making it more hazardous is all the more difficult to understand alongside the federal government's avowed intention to do everything possible to train young pilots. The importance the government places on training air-minded young Canadians as pilots is pointed up by its policy of making a $100 grant to every man who obtains his private pilot's licence at an approved flying school.

In the interests of consistency, as well as for the welfare of Canadian aviation, the government should review a policy which is driving private pilots to country fields and setting the stage for accidents with the near tragic consequences of the mishap here.

That is the end of the short editorial. The fact is, Mr. Chairman, that a young pilot hit a power line and his plane crashed. It is the greatest miracle that he was not killed. This matter has been found of such interest generally that I notice the October, 1951, edition of the magazine *Aircraft* contains certain letters to the editor complaining about the same situation. I am not going to take time to read this particular letter over the signature of J. H. Dalen of Grande Prairie. I shall just point out these one or two facts. Mr. Dalen points out that the hangar at Grande Prairie airport is never heated, the water and lights are turned off, the roof leaks causing the formation of ice on aircraft parked inside during a spring thaw; the doors are never closed which results in snow blowing in and covering 90 per cent of the floor space. Then he goes on to suggest that these small private planes are required to pay excessive charges. As a consequence they find parking space in farmers' fields some distance from the airport.

In the same magazine, *Aircraft*, I find an editorial on page 106 that refers to the same situation. I know something about the hangar at Grande Prairie airport. I would ask the Minister of Transport to investigate that matter and see if it would not be possible to do two things: First, to have the hangar put into good shape, repair the roof and see that the doors are made tight and are properly hanging on their hinges; second, to see if it would not be possible to arrive at a more moderate scale of rental for private planes when they are parked in the hangar of an airport.

Mr. Abbott: I shall see that the hon. member's comments are brought to the attention of the minister and his officials.

Mrs. Fairclough: I do not wish to dwell upon this unduly, but here are estimates totalling $4·5 million which we are asked to pass in a breath. Looking over the main portion of them, it looks to me as though they are for construction of one type or another. We have had some experience in the past with estimates which have been put through for construction and the construction never materialized. I deplore the fact that these estimates were not considered at the time the main estimates for the Department of Transport were considered. While it is not the time, at this late hour, to debate the matter, I cannot let them pass without raising an objection.

Mr. Abbott: Perhaps I can explain to the hon. member that construction estimates are considered with the main estimates, and we try to keep those as tight as possible. When I say "we" I am referring to the Minister of Finance and the treasury board. Sometimes construction programs go forward far more rapidly than had been anticipated, and that accounts for the major portion of the supplementary items here. In other cases some degree of urgency develops after the main estimates are prepared in February.

Mrs. Fairclough: The minister will understand that it was not about the amount but rather the manner in which these items are brought in at the very last, when the membership of the house is depleted, that I was complaining. Such large amounts should be given more careful consideration.

Item agreed to.

Resolutions reported, read the second time and concurred in.

WAYS AND MEANS

Hon. Douglas Abbott (Minister of Finance) moved that the house go into committee of ways and means.

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

Mr. Abbott moved:

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1953, the sums of $2,363,584,922.60 and $82,732,188, respectively, be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported, read the second time and concurred in.

Mr. Abbott thereupon moved for leave to introduce Bill No. 394, for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1953.

Motion agreed to, bill read the first and second times, considered in committee, reported, read the third time and passed.

THE ROYAL ASSENT

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

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

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

The Royal Assent

An act for the relief of Irene Mary Johnson Muirhead.

An act for the relief of Vera Kathleen Martin Lightfoot.

An act for the relief of Albert Chevalier.

An act for the relief of Roland Lesage.

An act for the relief of Joseph Timothy O'Connor.

An act for the relief of Victoria Elias Abdelhay.

An act for the relief of Margaret Edith Grace Batt Trent.

An act for the relief of Pearl Abramovitch Hoffman.

An act for the relief of Lily Sperling Kofsky.

An act for the relief of Jean Isobel Taylor Cuffling.

An act for the relief of Charles William Ledger.

An act for the relief of Benjamin Gordon Church.

An act for the relief of Laura Juliette Aubert Macdonald.

An act for the relief of Jean Lesly Macfarlane Cameron.

An act for the relief of Sarto Desnoyers.

An act for the relief of Jean Marc Duckett Audet.

An act for the relief of Eugene Cote.

An act for the relief of Anna Lapinska Cholewicki.

An act for the relief of Alexander William Hyndman.

An act for the relief of Vivian Mary Dickson Stewart.

An act for the relief of Stanley Baker Smith.

An act for the relief of Rebekah Ellinor Conley Burman.

An act for the relief of Allan Gowans.

An act for the relief of Marie Jacqueline Michelle Major Valiquette.

An act for the relief of May Clara Taylor Di Biasio.

An act for the relief of Regina Joan Lee Mills.

An act for the relief of Violette Chartrand Fairon.

An act for the relief of Doreen Elizabeth Lawton Batty.

An act for the relief of Norma Meldrum Drysdale McGown.

An act for the relief of Jean Elizabeth Wood Jackson.

An act for the relief of Louisa Ryan Heke.

An act for the relief of Maurice Speyer.

An act for the relief of Lorraine Souillet Heaven.

An act for the relief of Charlotte Elizabeth Johnston Rawson.

An act for the relief of Eleanor Luba Hirschfield Mott.

An act for the relief of Marguerite Anne Sweeting Russell.

An act for the relief of Amy Stirling Price.

An act for the relief of Jean Irene Ross Roche.

An act for the relief of Regina Landry Brouillard.

An act for the relief of Jean-Paul Malo.

An act for the relief of Robert Arthur Reeve.

An act for the relief of Joyce Mary Barton Vallis.

An act for the relief of Lawrence Edward James.

An act for the relief of Helene Mary Reusing Hutchins.

An act for the relief of Charles Lewis Lipton.

An act for the relief of Joseph Kovacs.

An act for the relief of Ann Martha Treglown Goodfellow.

An act for the relief of Meryl Elman Kluger Schreiber.

An act for the relief of Janusz Juljan Borzecki.

An act for the relief of Perley John Walden.

An act for the relief of Louis Jules Fabry.

An act for the relief of Kathleen Anne Bentley Hainsworth.

An act for the relief of Ethel McCready Thomas.

An act for the relief of Lois Edith Laffoley Kelly.

An act for the relief of Evelyn Helen Cowell Varrin.

An act for the relief of Marion Helen Hawes Gordon.

An act for the relief of Winnifred Isobel Bassett Yuill.

An act for the relief of Eileen May Walker Cole.

An act for the relief of Frank Ashworth.

An act for the relief of Margaret Galbraith Hardie McCall.

An act for the relief of Goldie Natovitch Molson.

An act for the relief of Norma Veronica Besner Roast.

An act for the relief of Catherine Anna Regan Herdt.

An act for the relief of Errol Alexander Edgley.

An act for the relief of Marie Marguerite Eugenie Lucie Prevost Lalonde.

An act for the relief of Myrtle Meloche Reath.

An act for the relief of Eileen Margaret Smith Bates.

An act for the relief of Selim Jean Malakie, otherwise known as Solomon Malacket.

An act for the relief of Ruby Lydia Donnelly Champion.

An act for the relief of Edna Edith Lily Caron Gourdie.

An act to provide for carrying into effect the Treaty of Peace between Canada and Japan.

An act to incorporate the Belleville Harbour Commissioners.

An act to amend The Unemployment Insurance Act, 1940.

An act respecting the Northwest Territories.

An act to amend The International Boundary Waters Treaty Act.

An act to revise the capital structure of the Canadian National Railway Company and to provide for certain other financial matters.

An act to amend The Canada Grain Act.

An act respecting immigration.

An act respecting allowances for war veterans and their dependents.

An act to amend The Veterans Benefit Act, 1951.

An act to amend The Veterans Insurance Act.

An act to amend the Pension Act.

An act to amend The Civilian War Pensions and Allowances Act.

An act to amend The Army Benevolent Fund Act, 1947.

An act to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways System during the calendar year 1952, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company.

An act to authorize the government of Canada to enter into agreements with the governments of the provinces pursuant to which in return for compensation, the provinces agree to refrain from levying certain taxes for a limited period.

An act respecting Marine and Aviation War Risks Insurance and Reinsurance Agreements.

An act respecting Currency, the Royal Canadian Mint and the Exchange Fund.

An act to provide Retiring Allowances, on a contributory basis, to persons who have served as Members of the House of Commons of Canada.

An act to amend The Eastern Rocky Mountain Forest Conservation Act.

An act to incorporate Ogdensburg Bridge Authority.

An act to incorporate The Canadian Shipowners Mutual Assurance Association.

An act to amend the Combines Investigation Act and the Criminal Code.

An act to readjust the representation in the House of Commons.

To these bills the royal assent was pronounced by the Clerk of the Senate in the following words:

In Her Majesty's name the Honourable the Deputy Governor General doth assent to these bills.

Then the Speaker of the House of Commons addressed the Deputy Governor General as follows:

May it please Your Honour:

The Commons of Canada have voted supplies required to enable the government to defray certain expenses of the public service.

In the name of the Commons, I present to Your Honour the following bill:

An act for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1953.

To which bill I humbly request Your Honour's assent.

[Mr. Abbott.]

To this bill the Clerk of the Senate, by command of the Deputy Governor General, did thereupon say:

In Her Majesty's name, the Honourable the Deputy Governor General thanks her loyal subjects, accepts their benevolence, and assents to this bill.

Mr. Garson: I move that the house do now adjourn.

Motion agreed to and the house adjourned at 5.30 p.m., until Thursday, November 20, 1952, at eleven o'clock a.m., unless otherwise ordered, pursuant to the provisions of the special order made Friday, June 27, 1952.

[The following items were passed in committee of supply]:

DEPARTMENT OF NATIONAL REVENUE

Customs and excise divisions—

302. General administration, $2,105,832.

303. Inspection, investigation and audit services, $2,924,216.

Ports, outports and preventive stations—

304. Operation and maintenance, $19,643,329.

305. Construction or acquisition of buildings, works, land and new equipment, $1,064,050.

306. Customs excise seizure expenses and adjustments, $191,000.

Taxation division—

307. General administration, $1,537,200.

308. Internal inspection and verification, $832,322.

309. District offices, $21,062,690.

Income tax appeal board—

310. Administration expenses, $74,360.

Customs and excise divisions—

Ports, outports and preventive stations—

732. Construction or acquisition of buildings, works, land and new equipment—further amount required, $66,000.

Canadian Broadcasting Corporation—

International shortwave broadcasting service—

54. Maintenance and operation including authority to credit to the appropriation revenue from rental of facilities in Radio Canada building to an amount of $140,000 and to re-expend it for the purposes of the international service, $1,982,675.

55. Construction or acquisition of buildings, works, land and new equipment, including supervision, $56,595.

International shortwave broadcasting service—

676. Construction or acquisition of buildings, works, land and new equipment, including supervision—further amount required, $228,138.

Loans, investments and advances—

Canadian Broadcasting Corporation—

819. Loans to the Canadian Broadcasting Corporation repayable with interest at a rate to be fixed by the governor in council on such terms and conditions as the governor in council may determine and to be applied in payment of expenditures to cover capital costs of television installations and to support the development of the service such loans, with interest, shall be a charge on the revenues of the Canadian Broadcasting Corporation next after the charge imposed under the provisions of section 17 of the Canadian Broadcasting Act, 1936, $2,000,000.

DEPARTMENT OF CITIZENSHIP AND IMMIGRATION

A—Department—

57. Departmental administration, $244,046.

Citizenship—

58. Citizenship registration branch, $221,187.

59. Citizenship branch, $364,837.

Immigration branch—

60. Administration of the Immigration Act, $839,128.

61. Field and inspectional service, Canada—operation and maintenance, including $10,000 for grants to immigrant welfare organizations, $4,795,069.

62. Field and inspectional service, abroad—operation and maintenance, $1,748,250.

63. To provide, subject to the approval of the treasury board, for trans-oceanic and inland transportation assistance for immigrants, including care en route and while awaiting employment, $2,600,000.

Indian affairs branch—

64. Branch administration, $327,142.

Indian agencies —

65. Operation and maintenance, $2,118,495.

66. Construction or acquisition of buildings, works, land and new equipment, $636,410.

Reserves and trusts—

67. Operation and maintenance, $118,008.

68. Acquisition of land, $16,000.

Welfare of Indians—

69. Operation and maintenance, $2,309,562.

70. Construction or acquisition of buildings, works, land and new equipment, $1,096,002.

71. Grants to agricultural exhibitions and Indian fairs, $7,450.

Fur conservation—

72. Operation and maintenance, $334,011.

Education—

73. Operation and maintenance, $6,158,943.

74. Construction or acquisition of buildings, works, land and new equipment, $3,981,850.

75. Grant to provide additional services to Indians of British Columbia, $100,000.

B—National gallery of Canada—

76. Administration, operation and maintenance, $215,368.

77. Payment to the national gallery purchase account for the purpose of acquiring works of art, in conformity with section 8 of the National Gallery Act, $100,000.

A—Department—

Immigration branch—

677. Field and inspectional service, Canada—operation and maintenance—further amount required, $37,000.

678. Field and inspectional service, abroad—operation and maintenance—further amount required, $96,600.

Indian affairs branch—

Indian agencies—

679. Construction or acquisition of buildings, works, land and new equipment—further amount required, $71,900.

Reserves and trusts—

680. Operation and maintenance—further amount required, $25,500.

681. Acquisition of buildings, works, land, permanent improvements and new equipment—further amount required, $162,750.

Education—

682. Operation and maintenance—further amount required, $147,237.

B—National gallery of Canada—

683. Payment to national gallery purchase account for the purpose of acquiring works of art in conformity with section 8 of the National Gallery Act —further amount required to purchase works of art with foreign currencies owned by Canada and available only for governmental or other limited purposes, $30,000.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE

National health branch—

Health services—

729. Immigration medical services—further amount required, $46,544.

Laboratory of hygiene—

730. Construction or acquisition of buildings, works, land and new equipment—further amount required, $200,000.

731. Special technical services—further amount required, $30,000.

B—Civil defence—(formerly under Department of National Defence)—

294. To provide for the civil defence program and to authorize total commitments against future years in the amount of $575,000, $6,508,839.

LEGISLATION

The Senate—

The Speaker of the Senate—

208. Allowance in lieu of residence, $3,000.

209. General administration, $393,448.

House of Commons—

The Speaker of the House of Commons—

210. Allowance in lieu of residence, $3,000.

Deputy Speaker of the House of Commons—

211. Allowance in lieu of apartments, $1,500.

212. General administration—estimates of the clerk, $1,027,657.

213. Estimates of the sergeant-at-arms, $624,236.

214. Subscriptions to publications of the Commonwealth Parliamentary Association to be distributed to members of the House of Commons, and to provide for the Canadian share of expenses of the Commonwealth Parliamentary Association, $10,000.

215. To provide hereby, notwithstanding anything contained in the Financial Administration Act or the provisions of the Senate and House of Commons Act respecting the independence of parliament, for the payment out of the consolidated revenue fund to each member of the House of Commons appointed by the governor in council to be a parliamentary assistant (which appointment shall not render such member ineligible or disqualify him as a member of the House of Commons) to assist a minister of the crown in such manner and to such extent as the minister may determine and to represent his department in the House of Commons in the absence of the minister therefrom, a salary of four thousand dollars per annum, and pro rata for any period less than a year, $56,000.

216. To provide for an allowance to the deputy chairman of committees, $2,000.

217. To provide an amount required for defraying expenses of the Commonwealth Parliamentary Association's visit to Canada, $150,000.

General—

218. Printing of parliament, including salaries of staff of the joint distribution office, $270,865.

Library of Parliament—

219. General administration, $162,001.

Pensions and other benefits—

220. Pension to the unmarried sister of the late Colonel Harry Baker, M.P., $700.

The Senate—

716. To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment of the full sessional indemnity for the sixth session of the twenty-first parliament, 1952, to members of the Senate for days lost through absence caused by public business, by illness, or on account of death. Payments to be made as the treasury board may direct, $11,500.

717. To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment to each member of the Senate who attended the first part of the sixth session which commenced on February 28, 1952, and ended on April 9, 1952, of an amount representing the actual transportation and living expenses of such member while on the journey between Ottawa and his place of residence after the Easter adjournment of parliament on April 9, 1952, and on the return journey from his place of residence to Ottawa at the end of the recess which commenced on that date, or at any other one time during the sixth session of the twenty-first parliament, $5,000; and in addition thereto a sum of $500 for the payment to members of the Senate the actual transportation and living expenses incurred during the Christmas adjournment of the fifth session of the twenty-first parliament, and not previously paid, $5,500.

718. General administration—further amount required, $12,337.

House of Commons—

719. To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment of the full sessional indemnity for the sixth session of the twenty-first parliament, 1952, to members of the House of Commons for days lost through absence caused by public business, by illness, or on account of death. Payments to be made as the treasury board may direct, $13,175.

720. To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment to each member of the House of Commons who attended the first part of the sixth session, which commenced on February 28, 1952, and ended on April 9, 1952, of an amount representing the actual transportation and living expenses of such member while on the journey between Ottawa and his place of residence after the Easter adjournment of parliament on April 9, 1952, and on the return journey from his place of residence to Ottawa at the end of the recess which commenced on that date, or at any other one time during the sixth session of the twenty-first parliament, $18,000.

721. General administration—estimates of the clerk—further amount required, $52,600.

722. Estimates of the sergeant-at-arms—further amount required, $28,300.

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY

739. Departmental administration—further amount required, $18,137.

740. Distribution of official documents—further amount required, $3,000.

DEPARTMENT OF JUSTICE

A—Department—

Supreme Court of Canada—

706. Administration—further amount required, $7,000.

Yukon Territorial Court—

707. Construction or acquisition of buildings, works, land and new equipment, $23,000.

708. Combines investigation branch—further amount required, $58,500.

B—Penitentiaries—

Office of the commissioner of penitentiaries—

709. Construction, improvements and new equipment, including provision for the establishment and construction of a new institution in the province of Quebec for the confinement and reformation of federal prisoners—further amount required, $199,950.

Royal Canadian Mounted Police—

Land services—arising out of the Royal Canadian Mounted Police Act, enforcement of federal statutes generally, and other incidental expenses—

780. Operation and maintenance—further amount required, $303,698.

781. Construction or acquisition of buildings, works, land and new equipment—further amount required, $608,851.

Marine services—arising out of the Royal Canadian Mounted Police Act, enforcement of federal statutes generally, and other incidental expenses—

782. Operation and maintenance—further amount required, $9,000.

783. Construction or acquisition of buildings, works, land and new equipment—further amount required, $850.

Aviation services—arising out of the Royal Canadian Mounted Police Act, enforcement of federal statutes generally, and other incidental expenses—

784. Operation and maintenance—further amount required, $4,000.

785. Construction or acquisition of new equipment—further amount required, $3,000.

Pensions and other benefits—

786. Government's contribution to the Royal Canadian Mounted Police pension account, $452,910.

Privy council—

Privy council office—

736. General administration—further amount required, $5,500.

General—

737. To provide for expenses of the royal commission on the South Saskatchewan irrigation and power project—further amount required, $35,000.

Public archives—

B—Bibliographic centre—

738. Bibliographic centre (national library)—further amount required, $10,600.

DEPARTMENT OF MINES AND TECHNICAL SURVEYS

A—Department—

Mines branch—

Mineral resources investigations—

723. Construction or acquisition of new equipment—further amount required, $50,000.

Surveys and mapping branch—

724. International boundary commission—administration, operation and maintenance—further amount required, $16,650.

725. Legal surveys and aeronautical charts—administration, operation and maintenance—further amount required, $47,000.

Map compilation and reproduction—

726. Construction or acquisition of new equipment—further amount required, $94,425.

Dominion observatories—

Dominion observatory, Ottawa and field stations—

727. Construction or acquisition of buildings, works, land and new equipment—further amount required, $13,000.

B—Dominion coal board—

728. Payments in connection with the movements of coal under conditions prescribed by the governor in council—further amount required, $1,471,000.

DEPARTMENT OF LABOUR

General administration—

710. Departmental administration—further amount required, $8,890.

Annuities Act—

711. Subject to sections four, seven and eight of the Government Annuities Act, but notwithstanding any other provisions of the act, to authorize the Minister of Labour in accordance with regulations approved by the governor in council on the recommendation of the treasury board to enter into an agreement to vary the terms of a contract for the payment of an annuity entered into under the said act or other authority of parliament or to substitute another contract for such a contract containing such terms and with effect from such date as the Minister of Labour deems necessary, and to authorize the Minister of Labour to enter into a contract with a purchaser, in terms approved by the governor in council, for payment of an annuity the amount of which decreases on a day specified in the contract, under which there may be paid an annuity greater than the maximum permitted under the act between the due date of the first instalment of annuity and the said day, provided the annuity agreed to be paid does not exceed the actuarial equivalent of a constant annuity for the maximum amount so permitted in respect of the annuitant, having the same date of commencement and the same term certain, if any, as the annuity payable under the contract, and to provide for payments in the current and subsequent fiscal years out of the government annuities account in accordance with the contracts so amended or entered into, $1.

712. *Labour Gazette*, authorized by Labour Department Act—further amount required, $5,000.

Vocational Training Co-ordination—

713. Administration—further amount required, $5,000.

To provide for carrying out the purposes of the Vocational Training Co-ordination Act, 1942, and agreements made thereunder: to authorize the Minister of Labour to enter into agreements with any province on terms approved by the governor in council for the training of persons to fit them for defence industries, the training of members of Her Majesty's forces and other persons to fit them for skilled armed services occupations and training under youth training projects and to provide for the expenditures thereunder and under vocational training agreements entered into in previous years—

714. Training payments to the provinces—further amount required, $320,000

Terminable services—

715. To provide for expenses that may be incurred in the arranging for and the movement of workers from outside Canada to work on farms and other essential industry in Canada when Canadian labour is not available to meet the need; including costs connected with the supervision and welfare of persons already immigrated to Canada under former authorized labour movements and administrative expenses connected therewith—further amount required, $227,500.

DEPARTMENT OF FISHERIES

General services—

700. Industrial development service—further amount required, $218,000.

Field services—

Protection branch—

701. Construction or acquisition of buildings, works, land and new equipment—further amount required, $18,000.

Fish culture and development branch—

702. Construction or acquisition of buildings, works, land and new equipment—further amount required, $125,000.

703. Consumer branch—further amount required, $18,500.

Fisheries research board—

704. Construction or acquisition of buildings, works, land and new equipment—further amount required, $122,000.

Special—

705. Amount required to recoup the fisheries prices support account to cover net operating loss of the fisheries prices support board during the fiscal year 1951-52, $1,219,263.

DEPARTMENT OF THE SECRETARY OF STATE

Patent and copyright office—

787. Copyright and industrial designs division—further amount required, $7,000.

DEPARTMENT OF EXTERNAL AFFAIRS

A—Department and missions abroad—

686. Representation abroad—operational—including payment of salaries of high commissioners, ambassadors, ministers plenipotentiary, consuls, secretaries and staff appointed as directed by the governor general in council, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments—further amount required, $100,000.

687. To provide for the construction and execution in Canada of seven doors to be donated by Canada to the United Nations permanent headquarters in New York—further amount required, $28,500.

688. To authorize and provide for the payment from foreign currencies owned by Canada and available only for governmental or other limited purposes in France, the Netherlands and Italy, of fellowships and scholarships and travelling expenses to enable Canadians to study in those countries and for payment to the Royal Society of Canada of amounts not to exceed $4,000 in all to meet travelling and other administrative costs incurred by the society for those it may designate to act on its behalf in selecting persons to receive fellowships and scholarships, $44,000.

B—General—

North Atlantic treaty organization—

689. To provide, subject to the approval of the governor general in council and notwithstanding anything to the contrary in the Civil Service Act, for special administrative expenses, including payment of remuneration, in connection with the assignment by the Canadian government of Canadians to the international staff of the North Atlantic treaty organization (part recoverable from the North Atlantic treaty organization), $55,000.

International civil aviation organization—

690. To provide the international civil aviation organization with office accommodation at less than commercial rates—further amount required, $141,972.

Supply

International joint commission—

691. Salaries and expenses of the commission (formerly provided by statute), $81,011.

Terminable services—

692. Contribution to the United Nations international children's emergency fund, $500,000.

693. Contribution to the United Nations relief and works agency for Palestine refugees in the Near East, $600,000.

694. To provide for a gift of wheat as a contribution to famine relief for Greece, $30,000.

DEPARTMENT OF FINANCE

General administration—

116. Departmental administration (including the former administration of the Farmers Creditors Arrangement Act, 1943, and the administration of the Municipal Grants Act, and the custody of paid cheques formerly administered by the auditor general's office), $1,643,396.

117. Comptroller of the treasury—central office and branch offices administration, $13,610,929.

Administration of various acts and costs of special functions—

118. Superannuation and retirement acts—administration, $193,086.

119. The Bank Act—salaries and expenses of the inspector general of banks' office, $29,836.

120. Administration of the Farm Improvement Loans Act, 1944, and the Veterans' Business and Professional Loans Act, 1946, $69,687.

121. Expenses of the tariff board, $108,830.

Expenses of the Royal Canadian Mint and the assay office, Vancouver, B.C.—

122. Administration, operation and maintenance, $1,058,487.

123. Construction or acquisitions of new equipment, $113,279.

124. Commodity Prices Stabilization Corporation—adjustment payments in respect of subsidies previously paid, and costs of administration, $30,500.

125. Administration of employees' instalment purchase plan, including sale and delivery of Canada savings bonds to government employees, and of employees' group insurance plans, $120,447.

126. Administration of the Consumer Credit (Temporary Provisions) Act, $92,936.

Payments to municipalities—

Grants to municipalities in lieu of taxes on federal property—

127. To provide for payments to municipalities in accordance with the Municipal Grants Act; and to provide for payments to municipalities under order in council of July 19, 1950, P.C. 3456, in respect of the cost of medical and hospital services and supplies furnished to federal employees and other persons specified therein, $2,360,800.

Contingencies and miscellaneous—

128. To provide, subject to the approval of the treasury board, for miscellaneous minor and unforeseen expenses and to authorize the re-use of any sums repaid to this appropriation from other appropriations, $1,000,000.

129. Cost of telephone service at Ottawa for all departments, $778,000.

General items of payroll costs including superannuation payments—

130. To provide for a government contribution to the superannuation fund in an amount equal to the estimated current and arrears payments of individual contributors in the previous fiscal year, $13,269,149.

131. To provide, subject to the approval of the treasury board, for supplementing other votes for the payment of salaries, wages and other paylist charges, $1,500,000.

132. To provide for the government's contribution, as an employer, to the unemployment insurance fund in respect of government employees paid through the central pay office, $1,150,000.

Miscellaneous grants—

133. Canadian general council of the Boy Scouts, $15,000.

134. Canadian council of the Girl Guides Association, $9,000.

135. Royal Astronomical Society of Canada, $3,000.

136. Royal Canadian Academy of Arts, $4,025.

137. Canadian Writers Foundation, $4,000.

138. Canadian Olympic Association, $20,000.

139. Boys' Clubs of Canada, $10,000.

140. Canadian Association of Consumers (formerly included under wartime prices and trade board), $6,000.

Payments to municipalities—

695. To provide grants in lieu of taxes under regulations approved by the governor in council to rural municipalities that do not qualify under the Municipal Grants Act, but which incur substantial increased expenses or loss of tax revenue by reason of the existence within their borders of federal property, $100,000.

Contingencies and miscellaneous—

696. To authorize (a) the custodian of enemy property to transfer to the Minister of Finance such property, including the proceeds and earnings of property, that is vested in the custodian in respect of world war II as the governor in council prescribes; (b) the Minister of Finance to hold, sell or otherwise administer property received by him from the custodian under paragraph (a) or from other sources by way of reparations by former enemies (except Italy) in respect of world war II, and (c) the Minister of Finance to establish a special account in the consolidated revenue fund to be known as the war claims fund, to which shall be credited all money received by him from the custodian under paragraph (a) or from other sources by way of reparations by former enemies (except Italy) in respect of world war II, the proceeds of sale of property under paragraph (b), the earnings of property specified in paragraph (b) and amounts recovered from persons who have received overpayments in respect of claims arising out of world war II; and, notwithstanding section 35 of the Financial Administration Act, to provide for payments out of the war claims fund in the current and subsequent fiscal years, in accordance with regulations of the governor in council, to persons who claim compensation in respect of world war II, for the payment out of the war claims fund in the current and subsequent fiscal years of expenses incurred in investigating and reporting on claims of those persons and for the repayment out of the war claims fund to vote 128 (miscellaneous minor and unforeseen expenses) of all amounts that have been paid out of that vote pursuant to the war claims interim compensation rules established by order in council P.C. 667 of February 4, 1952, $1.

697. To authorize the Minister of Finance to establish a special account in the consolidated revenue fund to be called the war claims (Italy) account, to which shall be credited all amounts received from Italy by way of settlement of its obligations under the treaty of peace between Canada and Italy that was signed at Paris on February 10, 1947 and, notwithstanding section 35 of the Financial Administration Act, to provide for payment out of the said account in the current and

subsequent fiscal years, in accordance with the war claims (Italy) settlement regulations established by order in council P.C. 5818 of November 6, 1951, and any amendments that may be made thereto by the governor in council, $1.

698. Amount required to cover losses incurred on foreign exchange tendered in payment of accounts receivable, $5,000.

Grants to universities—

699. To provide grants to institutions of higher learning recognized in each province by the government of Canada and the government of the province as being universities or institutions of equivalent standing equal to an amount, for each province, not exceeding 50 cents per head of its population as certified by the dominion bureau of statistics divided among the recognized institutions of the province proportionately to their enrolment of full time intramural students in personal attendance at the recognized institution or at an institution in the same province affiliated with it who are registered in courses of university level recognized as leading to and counting year for year toward a university degree awarded by a university in Canada and the Minister of Finance may for this purpose more particularly define the terms "university level" and "university degree," $7,250,000.

171. Departmental administration, $428,968.

172. Expenses of work in the interests of fire prevention, $50,398.

Auditor general's office—

53. Salaries and expenses of office, $597,111.

DEPARTMENT OF TRANSPORT

A—Department—

Canal services—

791. Construction or acquisition of buildings, works, land and new equipment—further amount required, $597,220.

792. To provide for expenses in connection with the St. Lawrence ship canal surveys and investigations—further amount required, $15,000.

793. For settlement of some 257 petitions of right, in accordance with the judgment of the privy council in 1952, in the petition of right of Canada Steamship Lines Ltd., versus the Queen, as a result of destruction by fire in 1944 of St. Gabriel shed No. 1, of the department, on the Lachine canal, $400,000.

Marine services—

Marine service steamers—

794. Construction or acquisition of vessels and equipment, as detailed in the estimates—capital—further amount required, $827,500.

Aids to navigation—

795. Administration, operation and maintenance—further amount required, $50,421.

796. Construction or acquisition of buildings, works, land and new equipment—further amount required, $63,020.

Nautical services—

797. Operation and maintenance—further amount required, $16,400.

Pilotage service—

798. Operation and maintenance—further amount required, $35,800.

799. Construction or acquisition of buildings, works, land and new equipment, $11,500.

800. Steamship inspection—further amount required, $9,300.

801. To reimburse Ecole Technique de Rimouski, Inc, in an amount not exceeding $200,000, for the purchase, on behalf of Her Majesty, of certain machinery and equipment to be installed at the said school for the purpose of conducting courses in marine engineering: gross estimated cost, $200,000; less expenditures for this purpose under vote 804, estimates of 1951-52, $143,226, $56,774.

Railway and steamship services—

802. Strait of Canso—transportation improvements and facilities—capital—further amount required, $450,000.

Canadian government railways—

803. Construction or acquisition of auto-ferry vessels, as detailed in the estimates—capital—further amount required, $300,000.

804. Construction or acquisition of vessels for Newfoundland coastal services—preliminary plans and specifications, $100,000.

Air services—

Telecommunications division—

Airways and airports—radio aviation services—

805. Construction or acquisition of buildings, works, land and new equipment—capital—further amount required, $174,800.

Radio Act and regulations—

806. Construction or acquisition of buildings, works, land and new equipment—further amount required, $20,500.

Radio aids to marine navigation—

807. Administration, operation and maintenance—further amount required, $100,000.

Telegraph and telephone service—

808. Construction or acquisition of buildings, works, land and new equipment—further amount required, $210,000.

Northwest communication system—

809. Construction or acquisition of buildings, works, land and new equipment—capital—further amount required, $23,500.

Meteorological division—

810. Construction or acquisition of buildings, works, land and new equipment—further amount required, $33,000.

Civil aviation division—

Airways and airports—

Operation and maintenance—

811. Airway and airport traffic control—further amount required, $33,800.

Construction services—

812. Construction or acquisition of buildings, works, land and new equipment—capital—further amount required, $398,810.

813. Contributions, subject to the approval of the governor in council, to assist municipalities in the development of and improvement to airports, the sites of which have been provided by such municipalities—further amount required, $94,105.

B—General—

Canadian maritime commission—

814. Steamship subventions for coastal services, as detailed in the estimates—further amount required, $55,000.

National harbours board—

815. Advances to national harbours board, subject to the provisions of section 29 of the National Harbours Board Act, to meet expenditures applicable to the calendar year 1952 on the following account; reconstruction and capital expenditures—Halifax—further amount required, $430,000.

National harbours board—

820. Advances to national harbours board, subject to the provisions of section 29 of the National Harbours Board Act, to meet expenditures applicable to the calendar year 1952, on the following account: reconstruction and capital expenditures—Montreal—further amount required, $1,070,000.

HOUSE OF COMMONS

Thursday, November 20, 1952

The house met at eleven o'clock.

PROROGATION OF PARLIAMENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

Ottawa, November 20, 1952

Sir:

I have the honour to inform you that the Right Honourable Thibaudeau Rinfret, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate chamber at 11.30 a.m. on Thursday, the 20th November, for the purpose of proroguing the sixth session of the twenty-first parliament.

I have the honour to be,

sir,

Your obedient servant,

J. F. Delaute,

Secretary to the Governor General

(Administrative)

VACANCIES

Mr. Speaker: I have the honour to inform the house that during the adjournment I have received communications from several members notifying me that the following vacancies have occurred in the representation, viz.:

Of Hon. R. W. Mayhew, member for the electoral district of Victoria (B.C.), consequent upon his acceptance of an office of emolument under the crown.

Of Gerard Cournoyer, Esquire, member for the electoral district of Richelieu-Vercheres, by resignation.

Accordingly I issued my warrants to the chief electoral officer to make out new writs of election for the said electoral districts.

NEW MEMBERS

Mr. Speaker: I have the honour to inform the house that during the adjournment the Clerk of the House has received from the chief electoral officer certificates of the election and return of the following members, viz.:

Of Romuald Bourque, Esquire, for the electoral district of Outremont-St. Jean.

Of Lucien Cardin, Esquire, for the electoral district of Richelieu-Vercheres.

THE LATE JOSEPH HENRY HARRIS

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, since the last meeting of this house one of its most esteemed members has passed away. I refer of course to the former member for Toronto Danforth.

It was with deep regret, shared by all of us regardless of party affiliations, that we learned of the death on October 25 of Mr. Joseph H. Harris, familiarly known to his many friends on parliament hill, in Toronto and, indeed, in many other parts of Canada, as Joe Harris. He had been unable, owing to ill health, to attend the last session of parliament, but most of us had hoped with some justification, in view of the reports we received from time to time from members of his family that he was recovering, that he would be able to be with us during the forthcoming session. We will miss him as will his political associates in particular and those he represented so long and so well in parliament.

Born of one of the original families of the Danforth district in 1888, he received his education at Pickering College and the University of Toronto from which he graduated in 1911 with the degree of bachelor of applied science. Ten years later, at the early age of 33, he was elected to parliament in the general election of 1921. Ever since, for thirty-one years, he has successively represented the Toronto east end ridings of East York, Scarborough and Danforth in this house.

In point of continuous service he was a veteran of parliament, being junior only to the Hon. C. G. Power who was first elected in 1917. To have remained so long in the House of Commons necessarily reflects the kind of service Mr. Harris always sought to give and succeeded in giving to all his constituents and to the country.

He of course naturally pressed for federal projects that would bring benefit to those he represented, but his work as a member of the war expenditures committee, for example, during the last war, and his active interest in the welfare of our veterans, are but examples of his concern for Canada as a whole. To the debates of the house and its committees he brought the vigorous mind and expression of a successful businessman and an active supporter of good causes.

The late J. H. Harris

As president of W. Harris and Company Limited and vice-president of the Harris Coal Company Limited, he exercised leadership in the industrial and commercial development of east Toronto. He was also president of Dominion Glues Limited of Kitchener and of Canadian Organic Developments Limited of London, England.

Whether in this house or as a prominent industrialist, Mr. Harris was ever active in promoting the welfare of that part of Canada where he was born and spent his life. One of his most constructive achievements has its monument in the Toronto East General hospital which he helped to build and where he passed away. For the last twenty years he was chairman of the board of managers of that hospital, and we all know that he worked unstintingly for its progress. Only three years ago he played the foremost part in raising funds for a new addition which, I think quite fittingly, bears his name.

His country, his city, his constituents, his party and all of us here have suffered a real loss in the death of Joe Harris. His whole life was dedicated to the service of his fellows regardless of religion or politics. This likeable, sincere and kindly man will long be missed but he has left a legacy of good works which will keep his memory alive for many years to come. I am sure that I can speak for all in saying to Mrs. Harris and other members of the family that the sincere sympathy of all members of this house goes out to them in full measure.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, it is with a very deep feeling of personal loss that I join with the Prime Minister in expressing our regret at the death of a very dear friend of every member of this house and the hope that the members of his family will gain some measure of comfort from the knowledge that he lives in the thoughts of those who worked with him day by day in this sphere of activity for so many years.

As has already been said so well, Joe Harris, as we all knew him, was a lovable, earnest and kindly soul who served his constituency continuously over a long span of years during which time he sat in this house because of the personal attention and service that he gave to all people in that constituency regardless of their political affiliations. He was one to whom responsibility as an elected member immediately embraced all those who were citizens of the community he served.

Joe Harris displayed great courage in the past few years. To an extent that is well known to many members, he suffered very greatly, and it was only by immense effort that he was able to attend the sessions as regularly and as faithfully as he did. There was hope that he might be cured of the disease which had afflicted him for some time but that hope proved to be unfulfilled, and as has been pointed out he died recently in the hospital which is so much indebted to him for the efforts that he put forth.

As everyone who has known Joe Harris for some years will attest, he was a man of very deep convictions and great faith in his own country. That was natural in a man who, by his own hard work, thrift and industry, had built for himself an important and successful place in the industrial community of Canada. He had made a great contribution to the development of the industry with which he was associated and in making that contribution had achieved very great personal success. At no time did that success in any way diminish his deep personal interest in the daily lives of every one of the people in the constituency which he had served since he was a young man.

He had deep loyalty. To him Canada was at all times his first interest and the first concern in his thoughts in the things that he did here. It was of the people of Canada that he was thinking when he presented his views on so many occasions. At the same time he was a man to whom the relationship of the Dominion of Canada, the crown and the commonwealth was a strongly living and abiding reality. He cherished those ancient loyalties which were the foundation of his great hopes of the future.

He had seen within his life tremendous developments take place in this country, and no one spoke with greater confidence of the years ahead and of the opportunities for youth in Canada in the coming years than did Joe Harris. He served his constituency well; he served his province well; and he served the Dominion of Canada well at all times in his public service.

The Toronto East General hospital stands as a permanent memorial and in a good many ways also stands as an example of the part that men and women can play in building this society of ours in Canada. There is no greater thing any man can do than ease the suffering and restore the health of those with whom he is closely associated. Throughout long years as chairman of the board of management of the Toronto East General hospital Joe Harris played a great role in extending the most effective possible service to those with whom he lived day by day. That hospital will be a memorial to Joe Harris' memory as long as it stands.

I should think that in the light of those services which he has performed no more fitting epitaph could be placed over the name of Joe Harris than the simple words: "Well done, thou good and faithful servant."

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, we of this group wish to associate ourselves with the thoughts expressed by the Prime Minister (Mr. St. Laurent) and the Leader of the Opposition (Mr. Drew).

Joe Harris was an esteemed member of this house and we too deeply regret his passing. We join in the tribute that has been paid to his memory and to the service that he has rendered to his community and to the nation. Likewise we wish to join with all members of this house in expressing our deepest sympathy in this their time of bereavement to his widow, to the children and to all to whom he was near and dear.

Mr. Solon E. Low (Peace River): Mr. Speaker, the tributes that have been paid to the late member for Danforth this morning in my judgment have been richly deserved.

I feel that I am speaking for all of the members of my group when I say we held Joe Harris in very high regard. We did so because we recognized him as a high-minded, sincere, honourable gentleman, a good member who served his constituency and Canada as a whole very well. He was a vigorous personality, and this house will miss him and the contributions he has so often made and could have continued to make for a good many years had not this illness intervened. I wish to join all members of this house in mourning the loss of a good member, an honourable gentleman, and to express our sympathies to those who have been left to mourn his passing.

Mr. J. M. Macdonnell (Greenwood): Mr. Speaker, coming from a riding that adjoins that of Mr. Harris I should like to add just a word.

Reference has been fittingly made to his great public service here, to his service to charitable institutions in Toronto and elsewhere, and there is just one thing I should like to add. As somewhat of a stranger to what we call in Toronto the area east of the Don, I found very quickly that the name of Joe Harris was a household word. The Harris family had been known there for many years, but Joe, by his readiness to serve everybody, carried the name to fresh heights. It was almost pathetic to see the confidence that anyone in that area who had any trouble of any kind felt, that it could be solved if only he could get to Joe Harris and have him take it in hand.

With others who have spoken previously I hope the recollection of what he was, added to the sympathy which we all wish to express, will avail much to his sorrowing family.

Mr. J. G. Diefenbaker (Lake Centre): Mr. Speaker, in the years I have been in the House of Commons there have been many occasions when I should have liked to say a word regarding a departed member as we have performed this solemn function year by year. This is one occasion, however, when I feel the house will agree that it is proper for me to say a word.

My mind goes back fifty years when in the one-room Plains Road school in east Toronto, in which there were twenty-seven pupils in all grades, my late father being the teacher, I met Joe Harris. Of that group in that school four subsequently became members of the House of Commons: the hon. member for York East (Mr. McGregor), the hon. member for Prince Edward-Lennox (Mr. Tustin), Joe Harris and myself.

Fifty years is a long while in one's life. Joe Harris in the House of Commons was the same Joe that I and the other serving members of that group knew so many years ago. Of him it could be said: He was a friend of the people.

The leader of the opposition (Mr. Drew) spoke of the memorial words that might be most fittingly applied to him. I think of an occasion during the early days of the war when the picnic in East York was taking place and there was a procession to the site of that picnic. Three little coloured boys stood up on the street corner on Danforth, and together they used these words: "Three cheers for Joe, the man we know and love." That was the tribute of the people of his constituency throughout the years.

Mr. Speaker, I join with the Prime Minister (Mr. St. Laurent), the Leader of the Opposition (Mr. Drew) and the representatives of the other parties in extending to his widow and other members of the family my deepest sympathy. Joe Harris was a man whom members of this house without regard to party admired and esteemed, and of whom it can be said that the Toronto East General hospital to which the Prime Minister referred is his monument. Those who may come after will be able to say, as was said of Sir Christopher Wren, "If you would see his monument, look about you."

Changes in the Ministry

Mr. Donald M. Fleming (Eglinton): May I add this brief word, Mr. Speaker. In the death of our late colleague, Mr. Joseph Harris, the weight of toil in the public service has taken its toll. We have this morning heard fitting tribute expressed to his public service, to his industry and success in business, and to his concern for the welfare of his fellow citizens. Half of his life was spent in the public service of Canada in this House of Commons, a rare record. As one who valued him as a personal friend and loyal comrade, I would say that as long as unstinting public service is appreciated and recognized by Canadians the name of Joseph Harris will be cherished in grateful memory.

Mr. G. J. Tustin (Prince Edward-Lennox): I should like to take a minute to add a few words, since I knew Joe Harris longer than anyone in this house. I can remember that the first day I attended public school, Joe Harris called for me and we went to school together. We were in the same class throughout the whole of public school, and left public school on the same day. Since that time we have always been friends. For many years we were neighbours. Mr. Harris was born on the south side of the concession road and I was born on the north side, almost directly opposite.

I think every member of this house will agree with what has been said this morning about Joseph Harris. He was a brilliant scholar in his younger days. He continued his education, attaining a master of science degree, and used his scientific knowledge to improve the products of the firm with which he was connected. I believe everyone will agree he was a successful manufacturer and industrialist. As a tribute to his judgment I think it can be said that not once in his long business career did a strike ever take place in his plant, and he had a considerable number of employees.

In conclusion, Mr. Speaker, I should like to join with those who preceded me in extending our sincere sympathy to Mrs. Harris and the members of the family.

THE MINISTRY

ANNOUNCEMENT OF CHANGES—MINISTER OF FISHERIES AND SOLICITOR GENERAL

Right Hon. L. S. St. Laurent (Prime Minister): I should like to mention at this time the changes that have taken place in the ministry since the adjournment of the house last July. Hon. R. W. Mayhew was appointed ambassador and minister plenipotentiary of Canada in Japan. Hon. James Sinclair was appointed Minister of Fisheries on October 15. On the same day Hon. Ralph O. Campney was appointed Solicitor General.

[Mr. Diefenbaker.]

I should like to table the relative orders in council dealing with those appointments, and to add that Mr. Sinclair and Mr. Campney, before taking the oaths of office as ministers of the crown, resigned as parliamentary assistants to the Minister of Finance (Mr. Abbott) and the Minister of National Defence (Mr. Claxton) respectively.

ORDERS FOR RETURNS

INQUIRY AS TO TABLING

Mr. George A. Drew (Leader of the Opposition): In view of the fact that the Prime Minister (Mr. St. Laurent) has been tabling certain reports, I think it appropriate at this time that I should point out that eighteen orders for returns, adopted by this house, are outstanding as yet. I wonder if it is the intention to table those this morning?

Right Hon. L. S. St. Laurent (Prime Minister): I have not ascertained whether there are eighteen, but I know a number are going to be tabled immediately.

Mr. Knowles: May I ask whether the Minister of Justice is going to table at this time any document under the Combines Investigation Act?

Mr. Garson: Mr. Speaker, I think that it would be preferable that that should be tabled in the new parliament in order that it may be discussed there if hon. members wish to do so. It has already been made public.

Mr. Knowles: The new session, I hope.

Mr. Garson: Yes; the new session.

Mr. Drew: Before you conclude the business of the session, Mr. Speaker, might I point out that even with the returns that have been tabled, this still leaves ten orders for returns not tabled. I would ask the government what they propose to do with regard to them, so we shall not conclude this session without knowledge as to the status of those orders for returns which were passed by this house and which the government is therefore under an obligation to place before us.

Mr. Fournier (Hull): Mr. Speaker, we hope to have those orders tabled in the near future. Seeing that we shall be sitting continuously from this afternoon on, I do not think there will be much delay.

Mr. Drew: In order that we may understand the position, I would point out that what has been said should go much further than that. I think that the minister who has just spoken should undertake that the orders for returns now outstanding will be accepted as orders for returns, and that the house will receive them.

Mr. Abbott: They have to be.

Mr. Fournier (Hull): The government has never refused to follow an order of the house; and in this instance we are sure we will not refuse to do so.

PROROGATION OF PARLIAMENT

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

Mr. Speaker, the Right Honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

In the Senate chamber, the Deputy Governor General was pleased to close the sixth session of the twenty-first parliament of Canada with the following speech:

Honourable Members of the Senate:

Members of the House of Commons:

During the session which is now concluding, the quest for security for our nation and the establishment of genuinely peaceful conditions remained the principal concern of my government.

In the Far East our Canadian forces have continued to co-operate with the forces of the United Nations to resist aggression in Korea.

In Europe a formation from the Canadian army is now part of the integrated force of the North Atlantic alliance and the build-up of the Royal Canadian Air Force overseas is continuing. Defence production for our own forces and for those of our allies is steadily increasing.

You have approved a further contribution to the Colombo plan for co-operative economic development in south and southeast Asia and you have also authorized a contribution to the United Nations program for technical assistance to underdeveloped countries.

Legislation has been passed to provide for carrying into effect the treaty of peace between Canada and Japan, and full diplomatic relations have been resumed between our two countries.

A war claims commission to inquire into and report upon claims made by Canadians arising out of the last war has been established.

Provision has been made for the immediate payment of awards to certain veterans and other Canadians for maltreatment suffered in Japanese and certain German internment camps.

To meet the outbreak of foot-and-mouth disease among cattle in the province of Saskatchewan, you enacted a measure for the control and extirpation of the disease and for the compensation of owners of destroyed animals.

Canada is now free of the scourge and my government is sparing no efforts to bring about the resumption of normal exports of livestock and meat within a reasonable period.

Provision has been made for the development of the industrial and scientific uses of atomic energy through a new crown company known as Atomic Energy of Canada, Limited.

You have approved legislation to enable the Canadian National Railways to construct a branch line between Terrace and Kitimat in British Columbia to assist in the industrial development of that province.

The War Veterans Allowance Act, 1946, has been revised to increase allowances and permissible income. The date of the expiration of the Veterans Benefit Act, 1951, has been extended and benefits under the Veterans Insurance Act and the Pension Act have been increased.

You have approved a bill to authorize the federal government to enter into new tax rental agreements with the provinces and agreements thereunder have been made with the governments of nine provinces.

The British North America Act has been amended for the first time in Canada. The amendment altered the rules for the readjustment of representation in the House of Commons and a measure providing for the readjustment under the new rules has also been enacted.

You have given legislative effect to the recommendation by the royal commission on national development in the arts, letters and sciences for the establishment of a national library.

You have approved a program to enable Canadian scholars, selected by the Royal Society of Canada, to continue their education abroad.

The Unemployment Insurance Act has been amended to reduce the waiting period and to provide for increases in benefits payable.

You have approved amendments to the Combines Investigation Act and the Criminal Code to give effect to recommendations of the MacQuarrie committee on combines legislation.

The Immigration Act has been completely revised.

Legislation respecting the currency, mint and exchange fund has been consolidated in one statute.

You enacted measures respecting the revision of the capital structure of the Canadian National Railways, the zoning of airports and the marine and aviation war risks insurance and the reinsurance agreements. Your approval was given to a convention for the promotion of safety on the great lakes.

Amendments have been made to the Canada Grain Act; the Cold Storage Act; the Canadian Farm Loan Act; the Northwest Territories Act; the Government Employees Compensation Act, 1947; and the International Boundary Waters Treaty Act.

Members of the House of Commons:

I thank you for the provision you have made for all essential services, as well as for our national defence and the meeting of our obligations under the United Nations charter and the North Atlantic treaty.

During the present session, in addition to income and other tax adjustments, it was found possible to remove certain commodity taxes entirely and to make substantial reductions in taxes on other commodities.

Honourable Members of the Senate:

Members of the House of Commons:

May Divine Providence continue to bless our country and the efforts of peace-loving peoples to maintain the rule of law among nations.

This concluded the sixth session of the twenty-first parliament.

END OF SESSION